13th Annual Report 1987

The Manitoba Milk Producers' Marketing Board

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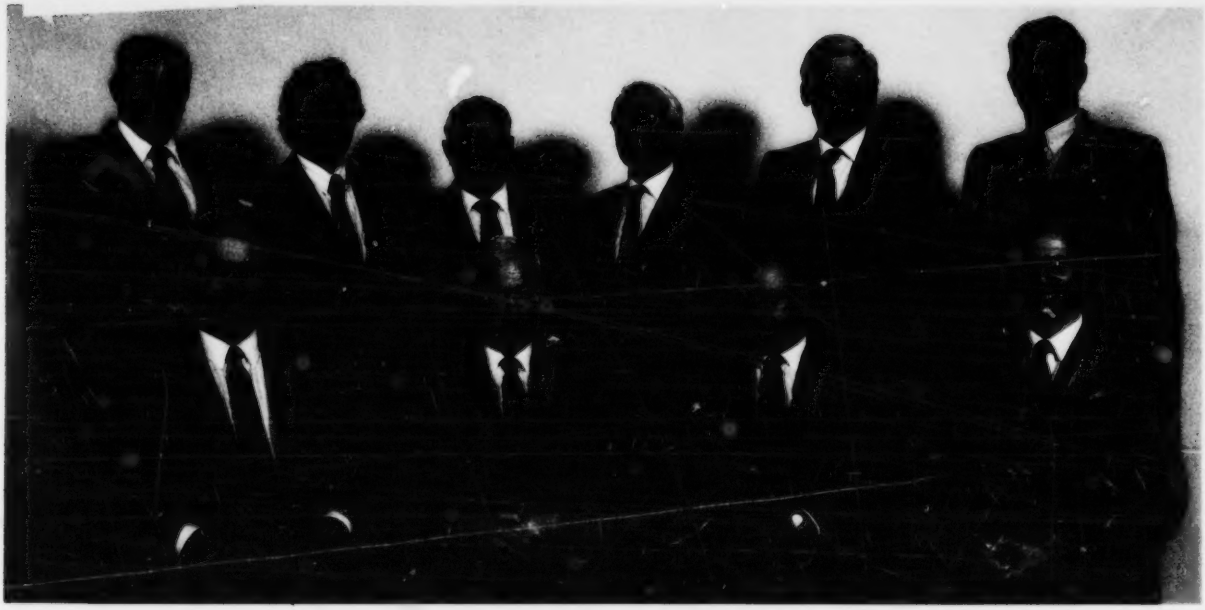

BOARD OF DIRECTORS

SEATED: (l to r) C. Finnie, A. V. Rampton, L. Balcaen, W. J. S. Wade

STANDING: (l to r) N. Van Ryssel, C. J. Knockaert, A. Goresky, J. D. Wilton, Reinhard Dueck, J. van den Ham

EXECUTIVE:		**District No.**
Chairman	— A. V. Rampton, Dauphin	1
Vice–Chairman	— L. Balcaen, La Broquerie	8
Executive Member	— C. Finnie, Portage la Prairie	3
MEMBERS:	— Reinhard Dueck, Kleefeld	9
	— A. Goresky, Stonewall	5
	— C. J. Knockaert, Bruxelles	4
	— J. van den Ham, Brandon	2
	— N. Van Ryssel, Oakbank	6
	— J. D. Wilton, Carman	7
GENERAL MANAGER:	— W. J. S. Wade, Winnipeg	

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General Manager's Report

This report marks the completion of the thirteenth year of operation of the Board.

There have been many landmark highlights of this year's operation.

The Class I milk price reduction stands out in everyone's mind, producers and processors alike, as a significant event. On January 1, 1987, due to reductions in interest rate (down 21.1%) and feed costs (down 10.5%), the one cent reduction was passed to the processors.

Market expansion occurred in fluid milk products. Manitoba milk producers achieved a 2.9% increase in fluid milk sales through the various fluid milk market expansion activities. Class I sales increased during the year by 3.078 million litres. This means an increase in pool revenue of approximately $1.590 million due in large part to promotion activities. Total milk marketings for the year were up 2.6% and total revenues were up 3.28%.

Marketing and promotion of milk in Manitoba continues as a major Board responsibility.

The numbers of milk producers registered in Manitoba were down by 21 this year. In August 1986, 1,116 producers shipped milk while in July of 1987, 1,095 producers were active.

The target support price was adjusted on August 1, 1986 by $0.80 per HL. This was reflected in increases to all industrial milk prices.

Your Board did over–issue quota in the past year but increased fluid sales easily absorbed the over–issue and allowed quota for the beginning of the new dairy year to remain the same as 1986–87. In–quota levies have been $5.13 per HL on the industrial portion of 98% of a producer's T.A.P. and $9.62 per HL on 2% of the quota, 4% cover–off at $5.13 per HL and 1% special export at $30.70 per HL. The over–quota levy was $38.00 per hectolitre. An in–quota levy of $4.42 per HL was applied at the beginning of the 1987–88 dairy year.

Board members have continued to serve on various national committees; two of the most important being the Canadian Milk Supply Management Committee and the National Milk Recording Committee. As well, members have served on the Board of Directors of the Dairy Bureau of Canada and the Dairy Farmers of Canada. Also, each Board member serves on various committees conducting Board business throughout the year.

Mr. Vincent's serious illness in November 1986, led to his decision to retire in March of 1987. All producers, the Board and its staff, wish Clarence and Lois many happy years in retirement.

The Board staff was increased by one person during the year. The role of this position is to help increase the speed and efficiency of accounting procedures. The Board of Directors selected a new general manager, W. J. S. Wade, and he took up his duties in June of 1987. Jim is a native of Winnipeg. For the last four years he was employed as corporate secretary administrator for the New Brunswick Milk Marketing Board.

Of all the events in this very busy year, the quota retirement and redistribution system, led to the most discussion at fall and spring meetings. Some fine tuning is in progress and discussions have begun with Manitoba Natural Products Marketing Council.

In the last Board year, several long range projects were begun. These projects involve considerable attention from directors and staff. These major projects are the privatization of the milk component analysis laboratory, the privatization of milk recording field services and the construction of a new corporate headquarters.

The privatization of the milk component analysis laboratory is the realization of an objective the Board has held for several years and that is, to assure accurate quality control in the laboratory analysis.

Milk recording is recognized by the Board as an important management tool and the Board has helped producers work towards a privatized milk recording service since 1982. This year the plans have been formalized to the point where the service could be privatized within the next 12 months.

In an effort to reduce expenses of operating your Board offices, the directors have initiated plans for the construction of a new office. In 1988, the Board plans to move into its new headquarters.

The Manitoba Milk Producers' Marketing Board Districts

The Manitoba Milk Producers' Marketing Board
Standing Advisory Committees

Executive: A. V. Rampton, L. Balcaen, C. Finnie

Cost of Production
L. Balcaen
Reinhard Dueck
N. Van Ryssel

Cream Advisory
A. V. Rampton
C. J. Knockaert
P. Ginter
F. Kolesar
P. Leochko
J. Wityshyn

Dairy Promotion
C. Finnie
A. Goresky
C. J. Knockaert
J. van den Ham
M. E. Adam
B. L. Fraser
A. J. Gale
P. A. McCarthy Briggs

Finance
C. Finnie
A. V. Rampton
J. van den Ham

Multiple Component Pricing
L. Balcaen
Reinhard Dueck
N. Van Ryssel

Processor Relations
L. Balcaen
A. Goresky
J. D. Wilton

Supply & Allocation
Reinhard Dueck
C. J. Knockaert
A. V. Rampton
J. D. Wilton

Transportation
C. Finnie
A. Goresky
N. Van Ryssel
A. V. Rampton
J. Mourant
G. Tetrault
K. Goddard

Canadian Milk Recording
L. Balcaen

Canadian Milk Supply Management
L. Balcaen
A. V. Rampton
W. R. English

Dairy Bureau of Canada
A. V. Rampton, Director

Dairy Farmers of Canada
L. Balcaen, Director
A. V. Rampton, Director

Keystone Agricultural Producers
A. V. Rampton, Board Rep.
J. van den Ham

Manitoba Agricultural Employment Development
C. Finnie
N. Van Ryssel

Manitoba Agricultural Services Co-ordinative Committee
C. J. Knockaert

Manitoba Milk Recording
L. Balcaen
Reinhard Dueck
N. Van Ryssel

Board Meetings

During the twelve months ending July 31, 1987, a total of 20 regular meetings of the Board were convened. Since a number of the meetings held were of more than one day's duration, in all a total of 29 days were involved. Many additional days of Members' time were taken up in attendance at meetings of the various committees of the Board and of other organizations with which the Board is affiliated.

District Elections

Nominations were called during October, 1986 for Board Members to represent Districts No. 3, 6, and 9. In Districts No. 3 and 9 Board Members C. Finnie and Reinhard Dueck respectively were in by acclamation. An election was held in District No. 6 with Mr. Neil Van Ryssel being declared elected to represent this district.

Terms of office for Board Members representing Districts No. 1, 4, and 7 expire in December of this year and nominations have been called for these districts.

District Meetings

During the month of April 1987, a total of 12 meetings in the various milk producing areas of the Province were held. Three meetings were held in District No. 5 during February 1987 and as a result no spring district meetings were held in District No. 5 during April.

In addition, as stipulated in the Administration By–Law No. 1/87 of the Board, an Annual District Meeting was held during the period October 1st to the 20th, 1987 in each of the 9 electoral districts into which the Province is divided for Board purposes. The Notice of Meeting, mailed to producers, is reproduced on the following page.

Notice of Annual District Meetings 1987

Annual District meetings of The Manitoba Milk Producers' Marketing Board will be **held at 8:00 P.M.** on the dates listed below: —

District 1	Friday October 16	Rossburn, Manitoba Rossburn Town Hall
District 2	Friday October 9, **7:30 P.M.**	Brandon, Manitoba Agricultural Extension Centre
District 3	Thursday October 8	Portage la Prairie, Manitoba Manitobah Inn Portage Bypass
District 4	Tuesday October 13	Bruxelles, Manitoba Parish Hall
District 5	Monday October 5	Teulon, Manitoba Teulon–Rockwood Centennial Centre
District 6	Wednesday October 7	Beausejour, Manitoba Beausejour Town Hall 639 Park Avenue
District 7	Thursday October 15	Winkler, Manitoba Friendship Centre
District 8	Wednesday October 14	La Broquerie, Manitoba La Broquerie Recreation Centre Hall II
District 9	Tuesday October 6	Grunthal, Manitoba Green Valley School Library

Elections for Board Member will be conducted this year in Districts No. 1, 4 and 7. Official nomination papers are available on request from the Secretary or may be obtained at the time of the meeting in the districts in which an election is to be held.

The following subjects will be discussed plus any that you wish to raise.

1. Introduction
2. Minutes of Previous Meeting
3. Administration By–Law
4. Market Expansion
5. Milk Recording Check Off
6. Board Levy
7. Antibiotic Test Kits
8. Quota Allocations 1987–88
9. Direct Deposit — Producer Cheques
11. Laboratory Update
12. Other Business

In the event it is inconvenient for you to attend the Annual District Meeting scheduled for your area, you are welcome to attend any other Annual District Meeting.

Dated at Winnipeg in Manitoba this 25th day of September, 1987.

The Manitoba Milk Producers' Marketing Board
104–1580 Dublin Avenue
Winnipeg, Manitoba
R3E 0L4

Schedule A

Pursuant to Section 1 of this Administration By-Law the following nine districts are established composed of the municipalities hereinafter set out opposite the number of each district.

District #1
Alonsa
Archie
Birtle
Blanshard
Boulton
Clanwilliam
Dauphin
Ellice
Ethelbert
Gilbert Plains
Glenella
Grandview
Hamiota
Harrison
Hillsburg
Lawrence
McCreary
Miniota
Minitonas
Minto
Mossey River
Mountain #1
Mountain #2
Ochre River
Odanah
Park 1
Park 2
Rosedale
Rossburn
Russell
Ste. Rose
Saskatchewan
Shell River
Shellmouth
Shoal Lake
Silver Creek
Strathclair
Swan River
Consol
The Pas District

District #2
Albert
Arthur
Brenda
Cameron
Cornwallis
Daly
Edward
Elton
Glenwood
Morton
North Cypress
Oakland
Pipestone
Riverside
Sifton
Wallace
Whitehead
Whitewater
Winchester
Woodworth

District #3
Cartier
Grey
Lakeview
Langford
Lansdowne
North Norfolk
Portage la Prairie
Westbourne

District #4
Argyle
Dufferin
Lorne
Louise
Pembina
Roblin
South Cypress
South Norfolk
Strathcona
Thompson
Turtle Mountain
Victoria

District #5
Armstrong
Bifrost
Coldwell
Eriksdale
Fisher
Gimli
Grahamdale #1
Grahamdale #2
Rockwood
St. Laurent
Siglunes
Woodlands

District #6
Alexander
Brokenhead
Lac du Bonnet
McDonald
Pinawa
Reynolds
Richot
Rosser
St. Andrews
St. Clements
St. Francois Xavier
Springfield
Victoria Beach
Whitemouth
Winnipeg Area

District #7
Franklin
Montcalm
Morris
Rhineland
Roland
Stanley

District #8
La Broquerie
Piney
Ste. Anne
Stuartburn
Tache

District #9
De Salaberry
Hanover

Market Share Quota

Effective August 1, 1986, it was estimated fluid sales and our Market Share Quota (M.S.Q.) allotment would allow production of 704,413 litres per day. This calculation was made up as follows:

Fluid	308,317 litres
Industrial	384,462 litres
Special Export	11,634 litres
	704,413 litres daily

Active T.A.P. issued to producers remained unchanged effective August 1, 1986. To increase fall milk production, a 2% cover off policy was announced effective August 1, 1986. Producers were advised the 2% cover off could be withdrawn at any time; however, it was hoped the cover off could remain in place until January, 1987. By December, to encourage more production, it was decided to increase the 2% cover off to 4% retroactive to August 1, 1986. This decision enabled Manitoba to achieve an in–quota utilization of 99% and with over–quota milk, a utilization of 101.6%. At year end, it was determined domestic requirements were up 0.9% which gave Manitoba, as a year end adjustment, an additional 57,000 kg of B.F. M.S.Q. As a result, all but 1,442,051 litres of over quota came within requirements, leaving total production at 100.8% of available quota. Therefore, some production, previously ineligible, will receive subsidy.

T.A.P. base for the new dairy year, commencing August 1, 1987, is estimated to be 719,166 litres per day, the sum of which was arrived at as follows: —

Fluid	317,564 litres	(estimated sales of fluid milk and cream)
Industrial	387,754 litres	(5,180,000 kg M.S.Q. at 3.65 kg/HL over 366 days)
Special Export	13,848 litres	(185,000 kg M.S.Q. at 3.65 kg/HL over 366 days)
	719,166 litres	daily

The 4% cover–off continues effective August 1, 1987, and will be allotted with regular T.A.P. and is guaranteed until at least January 31, 1988. This amounts to 28,734 litres daily over and above the regular T.A.P. in the system. In addition, there was a national agreement that provinces could over produce the provincial allotment by 2% (9,731 litres per day) at a levy rate of $28.50. A 1% export cover–off has also been issued commencing August 1 and could be subject to some further revision. Production levels will be closely monitored and quota adjustments made if required.

National Dairy Policy

Support prices on skim milk powder and butter were unchanged as at August 1, 1987. Target returns for industrial milk producers remained unchanged at $46.30 per hectolitre. Subsidy of $6.03 per HL will continue to be paid on milk produced for domestic requirements and on 1.1 million HL of production for special export (unchanged from the last dairy year). This subsidy is a continuation of the Federal government's long term dairy policy announced in January, 1986.

The National Market Sharing Quota (M.S.Q.) was set at 46.6 million HL by the Canadian Milk Supply Management Committee in September 1987, also unchanged from last dairy year. There was C.M.S.M.C. agreement in September 1987 that levy on production up to 2% over the provincial M.S.Q. allotment be remitted to the Canadian Dairy Commission (C.D.C.) at a special export rate of $28.50 per HL. There will be no subsidy paid on this milk production. Production over quota carries a $37.04 HL levy.

Cream Production

The "special block" of cream Market Share Quota (M.S.Q.) available August 1, 1986, remained unchanged at 1,153,000 kg. Due to low production during the early part of the dairy year, two M.S.Q. re-allocations were made, one in November/86 and one in May/87, totalling 49,685 kg. In addition, 82 "new" cream producers were allowed to commence cream production with an annual M.S.Q. of 300 kg each. There were, in fact, 98 more cream producers in Manitoba in August 1987 than August 1986 with some producers obtaining quota by transfer. The Cream M.S.Q. Advisory Committee of The Manitoba Milk Producers' Marketing Board met three times during the course of the dairy year. Approximately 600 cream transfers were processed by the Board office during the year.

Cream M.S.Q. maintenance was in place for the 1986–87 dairy year at 85% utilization. There was, however, no maintenance on cream M.S.Q. received by transfer during the last half of the year (February–July).

As of July 31, 1987, 1,490 registered cream producers had shipped 1,136,720 kg of butterfat to the province's thirteen creameries so production was all within quota. Cream producers will, therefore, be entitled to receive subsidy on 100% of their production during the year just ended.

The "special block" of cream M.S.Q. remains unchanged at 1,153,000 kg of butterfat for the new dairy year commencing August 1, 1987. Producer levies remain as follows: —

Board administration	— 3.9 cents per kg B.F.
Service charge market expansion	— 2.0 cents per kg B.F.
Over quota levy	— $4.00 per kg B.F.

Review of Milk Production and Marketing

Manitoba milk production for the dairy year ending July 31, 1987 was 267,267,032 litres which was an increase of 6,923,403 litres or 2.66% over the previous dairy year. Manitoba averaged 22,272,253 litres of milk production per month with the lowest month being October, 1986 (21,076,028 litres) and the highest month May, 1987 (23,892,307 litres), based on a daily average. Once again, Manitoba remained as one of the most "level" milk producing provinces in Canada. However, production in the highest month was 13.36% greater than the lowest month with a number of producers having much greater variation than that.

Manitoba's average butterfat test for the twelve month period was 3.62871 kg/HL.

Canadian markets for industrial milk products remained fairly consistent with the previous dairy year, but showing a slight improvement at the tail end of the year for a net increase in consumption of 0.9 per cent. Fluid sales were up 2.9% in Manitoba for the dairy year just ended.

The Canadian Dairy Commission's target return for industrial milk products remained unchanged effective August 1, 1987. Pool returns for Class I milk are currently $51.90 per HL (reduced $1.10 per HL effective January 5, 1987).

Transportation

The Board's transportation activities in the 1986–87 year have been directed at fuel price changes, adjustments for plant volume changes, route rationalization, and changes to larger, more cost efficient transport units.

Transportation Statistics	**1985–86**	**1986–87**	**% Change**
Volume Transported	2,603,436 HL	2,672,670 HL	+ 2.7%
Average Rate	$2.02/HL	$2.046/HL	+ 1.3%
Average Length of Route	174 km	182 km	+ 4.6%
Average No. of Routes	129	126	–2.3%
No. of Paid Diversions	318	666	+ 109%

Transportation Statistics	1985–86	1986–87	% Change
No. of Vehicles:			
Single axle	6	4	–33%
Tandem axle	53	52	–2%
Tractor–trailers	2	3	+50%
No. of Haulers	26	26	no change

Total transportation costs rose by 4.0% during the past year and the cost per hectolitre increased by $0.026 or 1.3% for the year.

During the past year the fleet of milk trucks has decreased by two trucks and one operator switched from a tandem truck to a tractor and semi–trailer. The Board encouraged the transporter to make the switch because the plant he hauls to (Modern Dairies, Brandon), reduced their processing substantially. Between November 20, 1986 and April 23, 1987, the Modern Dairies plant in Brandon was closed for major renovations. The fluid milk operation of this plant was moved to Winnipeg and the plant was converted to manufacturing cultured products. From April 23, 1987 to July 18, 1987, that plant's receipts were unpredictable as their processing equipment was brought on–line.

Diversions:

The above, as well as ever more fluctuating fluid plant requirements, resulted in diversions of truck loads of milk to plants other than their regular assigned plants. Careful planning by the Board prevents substantial transportation cost increases in these situations. More staff time and more creative planning is being demanded in order to fulfill plant requirements and contain movement costs.

A bright spot in the past year has been the continued lower world petroleum prices. As a result of these lower prices remaining in effect, the Board has been able to keep transporter fuel allowances from rising rapidly. On January 1, 1987, the Board was able to lower the allowance by seven–tenths of a cent per litre for an annual cost saving of about 0.3% per year; before having to increase the allowance by 2.1 cents per litre on April 1, 1987, or about an 0.9% increase in transportation costs.

Fuel Allowances:

Effective Date	Allowance/litre	Change and Percent
August 1, 1986	42.8 cents	—
January 1, 1987	42.1 cents	– 0.7 cents/L – 1.6%
April 1, 1987	44.2 cents	+ 2.1 cents/L + 5.0%

It is the Board's intention to seek improvements in efficiency by encouraging transporters to change to larger units including more semi–trailers for farm pickup.

The Board is examining areas where larger units can be accommodated and how best their use could be implemented.

Route reassignments have been studied so that costly diversions are reduced or eliminated.

Manitoba's bulk milk transporters and drivers are recognized by the Board as an integral part of the province's milk marketing structure and their efforts and co–operation are much appreciated.

Retirement and Quota Redistribution System

The new system came into effect October 1, 1986 and all producers were forwarded the details and administrative procedures at that time. The statistical results for the period October 1, 1986 to September 30, 1987, are as follows: —

	Totals
Cancelled (L)	4,948
No. of Producers	18
Reallocated (L)	1,494
No. of Producers	30
Free Distribution:	
Reallocated — Existing	3,000
In Reserve	–64
No. of Producers	30
Reallocated — New	300
In Reserve	218
No. of Producers	1

A review is currently in progress to assess the first twelve months results of the Retirement and Quota Redistribution system.

Computer Operations

During the year under review, the data processing department took delivery of a Compaq deskpro personal computer. The Board's secretarial staff commenced using this equipment immediately and found it to be a "boon" in their work. The demand for time on the equipment proved far greater than anticipated and the Board will take delivery of a second personal computer very early in the 1987–88 year. This second machine will enable the Board staff to conduct extensive analysis in the accounting and operational areas.

There is greater attention being directed to office automation as a means of increasing efficiency and productivity in the Board's procedures. This will be an on–going process for the future. A current study is to examine facsimile equipment. The capability to transmit documents over telephone lines is a very efficient way of exchanging information with a hard copy being available at once. Replies can be sent back with a faster turn–around time than offered by Canada Post and in a more cost efficient manner than using courier services.

Processing Plant Audit Program

The period under review, August 1, 1986 to July 31, 1987, shows an average of three visits to each processing plant. Each visit represents verification of reported milk utilization for a minimum of three months. The results of these audits are discussed with each processor, detailing any discrepancies found and stressing the importance of product and butterfat accountability. Any adjustment(s) found in the audit each month is summarized and included with our milk pool calculations to assure an accurate and updated pool price to producers.

The procedures, standards, and tests used by the audit department are duly examined by the Board's auditors.

Advertising and Promotion Report

An aggressive marketing plan on all fronts has produced exciting results according to fluid sales. We have pulled together some effective programs which have answered the requirements in all the target groups whether for teenage television, summer food service campaign or adult radio and newspaper winter project on calcium.

Television

The pool of four commercials "Milk Yeah Milk" targetted to teens was increased to six with the addition of Luba and Skate Boarder early in 1987. The television production and research costs are a joint venture with four other provinces which reduces our funding in these areas to twenty–eight per cent of the total. Such projects, in co–operation with our partners, have afforded us selection of television other than the Ontario, B.C. or Alberta creative when these alternatives have not been appropriate.

The Toronto advertising agency, Vickers and Benson, is developing new television creative which will be tested in the participating provinces against new Ontario and B.C. creative in order that we may select the best new commercials available in Canada.

Research

Fluid milk usage and attitude research along with tracking studies for the television commercials, have been directed by the Dairy Bureau of Canada on behalf of the provinces. Wave III **Tracking Study** on Milk Yeah Milk, completed in May 1987, indicates that we are able to continue with this creative until the end of the talent repayment period of March 1988. Wave IV is slated for November 1987 when we assess possible "wear–out" of this campaign.

Canadian Usage Panels (C.U.P.) research on beverage consumption patterns of Canadians is expanding its data base in all provinces which means 500 samples for Manitoba and separate provincial statistics. Because of variances in fluid sales across the country and different marketing strategies, it is important for Manitoba to have more accurate information.

Youth Target 1987 is benchmarks psychographic and demographic milk consumption and attitude studies purchased by the provinces from Creative Research Group. It provides a very practical understanding of the youth market and consequently assists in the development of appropriate creative for this target.

Milk on Ice

For the second consecutive year Manitoba, in joint venture with four other provinces, utilized the Milk on Ice advertising and restaurant promotion. We expanded our program to include milk spotting with additional radio and billboard advertising. Three students were employed by the Board for the summer to visit nearly 800 restaurateurs with the information kits and point of sale materials and to "spot" milk drinkers throughout the province. Four Honda Elite scooters were awarded to the three winning milk drinkers and one to a restaurant. Great West Life cafeteria won the serving personnel prize. From our point of view that was quite appropriate since Great West Life tells us that of the several hundred people eating lunch in their cafeteria, more milk is consumed than the total of all other beverages combined from a selection of 15 possibilities.

Milk Mobile

For the second year the milk mobile, capably managed by summer staff, visited twenty fairs in the province, an increase of six fairs over 1986. The Manitoba Agricultural Societies Association has complimented the Board on its excellent support and for the availability of our promotional vehicle. This year we offered the societies an opportunity to fund raise by selling product from the milk mobile. This allowed reduction in staff and better utilization of staff time for restaurant visits and milk spotting.

Advertising and Promotion Report continued

Milk's Super Seminar

With financial support from the Manitoba Sports Federation, the Manitoba High Schools Athletic Association and the Sports Directorate, and the on-going support from a very capable enthusiastic committee, this event was, once again, the largest seminar for coaches held in Canada. "Coaching for Success" brought together over 250 coaches from the province to hear Bob Vespaziani, former Head Coach, Calgary Stampeders; Dr. Murray Smith, Sports Psychologist, University of Alberta; Kerry Leitch, Figure Skating Coach of 28 years; and Abby Hoffman, former Olympic medalist runner and present Director General, Sport Canada. The Dairy Bureau of Canada has committed funds to assist in the sponsorship of the 1988 Milk's Super Seminar currently in the development stages.

Calcium Campaign

During the January-March period, we capitalized on special media rates in radio and newspaper for our health campaign targetted at adults. Recognition of the healthful benefits of dairy products is evident in the increasing consumption of fluid milk by the population 20 years of age and older, according to C.U.P. research. Consequently, we expect to continue with our adult health campaigns during this most efficient (benefit/cost) time period.

There are many other projects with their own specific and unique messages, such as print advertising in "Senior's Today" newspaper, "Class Act" High School Paper, "What a Magazine", "Going Places" magazine and the "Winnipeg Jets" program; and our on-going sponsorship of scoreboards in high school gymnasiums with the sponsor panel "Win with Milk".

The 1987 Manitoba AAA High School Basketball Championships in March culminated in our most successful sponsorship of this annual event to date with the CBC rebroadcast of the boys and girls finals in an edited 2-hour television show. Our liaison with the Manitoba High Schools Athletic Association has been beneficial in making this an effective event as well as acquiring the Association's assistance with Milk's Super Seminar.

Annual promotions in shopping malls, Brandon Fair, Red River Exhibition and the restaurant show, Centrex, with our new booth Milk on Ice, have been a real hit. We are known for our enthusiastic white tuxedo dressed staff and the popular flavoured milk drinks we serve on these occasions.

Regular features on CKND-TV and CKY-TV are the milk and milk products cooking segments which continue to have wide appeal. CKY-TV has been very generous in giving us interview time for various promotions, particularly "Milk on Ice". We negotiated with CKY-TV for the first sponsorship of the teenage show direct from "Changes".

We will continue providing product and promotional items for special events throughout the province. This year we are excited about the **newly developed milk logo** which has been adapted from a similar logo in Saskatchewan. Presently there are T-shirts and refrigerator magnets which boast of our product but there will be more to come.

Mrs. Adam, as Provincial Representative to the Dairy Bureau of Canada, assists in the development of the Bureau's marketing plan and implementing and monitoring their programs locally.

School Milk Program

Introduction

The Manitoba School Milk Program has been in existence for the past four years.

The major goal of the program has remained constant — **to increase the milk consumption throughout our provincial school system. This has been achieved through creating a strong promotional campaign** that continues throughout the entire school year.

Our beverage competitors within the Manitoba school system remain both pop and juice. The Manitoba Dept. of Education has not banned pop from our school system. Many of our schools use the large profits made from pop machines to fund their school activities. Juice is popular with our schools mainly because it does not require any additional refrigeration.

Type of Milk Available in Manitoba Schools:

250 mL — gable top carton
200 mL — pouch pack

The schools have the option of selling homogenized, 2% white and 2% chocolate milk at whatever price they wish.

Participation in our program is open to both white and chocolate milk drinkers.

Subsidized Milk Program:

Manitoba has only one subsidized school milk program in existence. Winnipeg School Division No. 1, because of the high percentage of core area schools, offers their students the opportunity to purchase a 250 mL serving of homogenized milk or 2% white milk at a cost of 10 cents. The remainder being paid by the School Division.

All other School Divisions throughout the Province pay the regulated price according to their zone.

Refrigeration Loan–Purchase Program

The school milk program has successfully operated a refrigeration loan–purchase program for the past four years.

If a school is without adequate refrigeration; we will make a fridge available on a loan basis, with the option to either purchase at cost, at the end of the year or return it to the Board.

The refrigeration units are available in two sizes:

5 case unit at a cost of $664.00
20 case unit at a cost of $1,315.00

To date 70 schools have purchased our refrigeration units.

Kindergarten to Grade 6 Promotion

This fall our Elementary Program will take a new direction. Over the past few years many of our Elementary schools have expressed an interest in participating in an Elementary Program designed after our Milk Spotters Program for Junior/Senior High Schools. In September, a contest announcement, along with a registration form, was sent out to all Elementary Schools in the Province. Participation was limited to the first 200 schools that registered.

The new Elementary program will eliminate the time consuming chart system and be replaced by a milk ballot. Each time a student purchases milk, brings it to school from home, or consumes milk at home during the lunch hour, he or she can fill out a milk ballot. The prize draws will be held daily, weekly, or monthly depending on the individual needs of the school. Some of the prizes to be featured in this new program will be cow erasers, neck warmers, T–shirts and toothbrushes.

Three dairy parties will be awarded during the year. Two will be awarded in May 1988 to the city and rural schools consuming the most milk per capita. The third dairy party, in May, will be awarded by draw to one of the schools participating in the program.

School Milk Program continued

Junior/Senior High School Promotion:

This program will maintain the same format. Students are appointed official Milk Spotters to roam the school at lunch hour randomly spotting students drinking milk. Each student spotted receives a scratch 'n win ticket, with a one–in–five chance of being an instant winner. This year's featured prize will be a milk logo sweatshirt with lights. Other prizes include milk pens, beach towels, cooler bags, and address books.

The theme for this year's dual level Milk Spotters Program will be "I Heard It Thru the Milk Vine" — but will also incorporate our provincial fluid milk slogan "Milk Yeah Milk".

Participation Report:

The following table will show the growth in school participation over the past four years.

	1983–84	1984–85	% Inc.	1985–86	% Inc.	1986–87	% Inc.
Elementary Schools	41	94	129	146	55.3	159	8.9
Junior/Senior High Schools	90	126	40	161	27.8	190	18.0
Total	131	220	67.9	307	39.5	349	13.7

There has been a 166% increase in Total School participation over the four years.

Day Care Program:

The school–age day cares with children aged 6–12 use the K–6 Elementary program.

The pre–school day cares make use of the K–6 Elementary program in a modified form.

Special Events:

1. In October, 1986, we sponsored Milk's Super Shindig at Changes — Winnipeg's first teen night club. Over 500 students attended the event to kick off our 1986–87 Milk Spotter's Program.
   1986–87 Milk Spotter's Program.
   Four teenage students were employed to act as milk representatives. Each was dressed in a white tuxedo with royal blue cumberbund and bow tie. Their responsibilities included greeting the guests, distributing contest material and awarding prizes.
   We also introduced the students to flavoured milk drinks. Milk representatives served melon, pina colada and chocolate mint milk complete with parasols, stemmed cherries and novelties. Super Shindig was a tremendous success and great exposure for the Milk Spotter's Program.
2. **Milk Co–ordinators Evening**
   In June of this year we held a "Special Appreciation Night" for our School Milk Co–ordinators. The group included teachers, school secretaries and parent council members, from a number of Winnipeg schools. This was an informal evening featuring a free exchange of ideas. The Milk Co–ordinators were specially selected for volunteering their time, over the past four years, to ensure their school participated in our school milk program.

Nutrition Education

Manitoba milk producers can be proud of their involvement in the most successful nutrition education network in Canada. Each provincial dairy foundation or board supports a nutrition program which operates in conjunction with a variety of local health and education based organizations in that province. We all strive to achieve the same goals

— to increase the consumption of fluid milk through a broad based, high quality nutrition education program to adults and young consumers.
— to enhance the corporate image of milk producers as a leader in reliable nutrition education.
— to increase the visibility and accessibility of dairy nutrition throughout the provinces.

The nutrition education program in Manitoba has expanded over the past 12 years to include: child–care workers, teachers (kindergarten to grade 12), graduating classes of all Manitoba university faculties of education, interning dieticians, nursing programs, health educators, fitness leaders and sport development groups.

We will introduce two new programs in Manitoba this year — one for provincial coaches and another for health professionals. The coaches program will be developed with input from the provincial association to ensure that content and delivery methods are designed with the target audience in mind. The "Health Professionals" program, designed and tested by the Ontario Milk Marketing Board nutritionists, has been very successful in that province. With careful planning, and delivery of appropriate information to specific groups, we look forward to similar results in Manitoba.

Annual meetings of all dairy nutritionists present an opportunity to "compare notes", share experiences, and gather new ideas. We have been very pleased, relative to other provinces, with the co–operation between Manitoba government departments (Health, Education), professional associations, and ourselves, and the enthusiasm with which they promote The Manitoba Milk Producers' nutrition education programs. With the complement of programs now offered in Manitoba we should see better nutrition knowledge leading to a more informed, milk–drinking population of consumers.

MAY & EILER
CHARTERED ACCOUNTANTS
50 GLEN AVENUE
WINNIPEG, MANITOBA
R2M 1V5

W. C. MAY, C.A.
L. K. EILER, B.A., C.A.

AUDITORS' REPORT

To the Registered Producers of The Manitoba
Milk Producers' Marketing Board:

We have examined the statement of financial position of The Manitoba Milk Producers' Marketing Board as at July 31, 1987 and statements of operations of milk pool, administrative, transportation, quota reallocation, promotional and northern allowance funds and changes in cash position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the Board as at July 31, 1987 and the results of its operations and the changes in its cash position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

May + Eiler

Chartered Accountants

Winnipeg, Manitoba
September 22, 1987

EXHIBIT A

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF FINANCIAL POSITION

AS AT JULY 31, 1987

	1987	1986
CURRENT ASSETS:		
Cash	$ 4,869,979	$ 3,790,837
Accounts receivable	10,143,840	9,594,950
Prepaid expenses	62,138	45,910
Total current assets	15,075,957	13,431,697
CURRENT LIABILITIES:		
Producer cheques - unissued	8,733,903	8,373,607
Accounts payable and accrued liabilities	4,851,270	3,499,453
Total current liabilities	13,585,173	11,873,060
WORKING CAPITAL	1,490,784	1,558,637
OFFICE EQUIPMENT AND IMPROVEMENTS -		
at cost	288,020	258,127
Less accumulated depreciation	210,756	172,526
Net office equipment and improvements	77,264	85,601
REGISTERED PRODUCERS' EQUITY AND CAPITAL EMPLOYED	$ 1,568,048	$ 1,644,238
Represented by retained income (deficit) in following Funds:		
Milk Pool Administration (Exhibit C)	$ 1,774,084	$ 1,812,944
Board General (Exhibit C)	(460,351)	(382,089)
Market Sharing Plan (Exhibit C)	(54,195)	(61,869)
Transportation (Exhibit D)	248,168	248,168
Quota Reallocation (Exhibit E)	30,525	-
Promotional (Exhibit F)	-	-
Northern Allowance (Exhibit G)	29,817	27,084
	$ 1,568,048	$ 1,644,238

Approved by the Members

Craig Finnie

Arthur Rampton

EXHIBIT B

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF MILK POOL FUND OPERATIONS
FOR THE YEAR ENDED JULY 31, 1987

	1987	1986
INCOME:		
Milk sold to processors.....	$122,126,611	$118,036,560
Total income.....	122,126,611	118,036,560
DISTRIBUTION:		
Payments to producers:		
Net payments to producers.....	103,628,239	100,645,351
Deductions for Board controlled Funds -		
Milk Pool Administration (Ex. C)...	374,174	311,710
Board General (Ex. C).....	518,498	505,714
Market Sharing Plan (Ex. C).....	212,053	206,786
Promotional (Ex. F).....	1,421,982	1,332,845
Transportation (Ex. D).....	5,480,308	5,274,455
Northern Allowance (Ex. G).....	73,231	71,334
Deductions determined by others:		
Canadian Dairy Commission.....	9,886,387	9,159,166
Manitoba Milk Producers Co-op Inc..	80,011	124,361
Other deductions:		
Quality penalty levy (Ex. C).....	45,219	57,325
Total distribution to producers	121,720,102	117,689,047
Payments to other marketing boards:		
Ontario Milk Marketing Board.....	403,198	344,772
Deductions for Board controlled Funds:		
Milk Pool Administration (Ex. C)...	1,388	1,694
Board General (Ex. C).....	1,923	1,047
Total distribution to others....	406,509	347,513
Total distribution.....	122,126,611	118,036,560
UNDISTRIBUTED INCOME BEFORE UNDERNOTED.....	-	-
RECOVERABLE AMOUNT:		
Canadian Dairy Commission deductions in excess of 1986 assessment and producer refunds.....	-	187,105
Appropriation to Milk Pool Administration Fund (Ex. C).....	-	(187,105)
UNDISTRIBUTED INCOME AT BEGINNING AND END OF THE YEAR.....	$ -	$ -
VOLUME OF MILK (000's of litres).....	268,258	261,217

EXHIBIT C

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF ADMINISTRATIVE FUNDS OPERATIONS
FOR THE YEAR ENDED JULY 31, 1987

	Milk Pool Administration	Board General	Market Sharing Plan	Total 1987	Total 1986
INCOME:					
Deductions (Ex. B)					
Milk producers...	$374,174	$518,498	$212,053	$1,104,725	$1,024,210
Other boards.....	1,388	1,923	-	3,311	2,741
Quality penalties	45,219	-	-	45,219	57,325
Cream producers....	-	-	44,326	44,326	43,829
Other income.....	-	210	-	210	310
	420,781	520,631	256,379	1,197,791	1,128,415
EXPENSE:					
Annual meeting.....	-	18,565	-	18,565	11,274
Data processing....	7,850	-	5,199	13,049	25,305
Depreciation.....	15,675	3,823	8,411	27,909	24,213
Communication.....	16,971	14,625	8,293	39,889	41,051
Members' per diem and travel (Note 4)	-	194,657	21,105	215,762	179,250
Memberships.....	-	29,940	-	29,940	24,345
Office occupancy...	37,949	9,406	19,994	67,349	61,346
Office supplies....	15,197	5,112	5,115	25,424	32,828
Professional fees..	10,800	228,180	7,200	246,180	204,925
Grants.....	-	19,050	-	19,050	5,600
Salaries and benefits.....	290,340	49,835	160,484	500,659	481,362
Staff travel.....	8,447	12,112	10,684	31,243	22,587
Other.....	6,874	13,588	2,220	22,682	20,294
	410,103	598,893	248,705	1,257,701	1,134,380
NET INCOME (LOSS) FOR THE YEAR.....	10,678	(78,262)	7,674	(59,910)	(5,965)
APPROPRIATION (TO) FROM PROMOTIONAL FUND...	(49,538)			(49,538)	(73,588)
MILK POOL FUND.....					187,105
RETAINED INCOME (DEFICIT) AT BEGINNING OF THE YEAR	1,812,944	(382,089)	(61,869)	1,368,986	1,261,434
RETAINED INCOME (DEFICIT) AT END OF THE YEAR.....	$1,774,084	$(460,351)	$(54,195)	$1,259,538	$1,368,986

EXHIBIT D

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF TRANSPORTATION FUND OPERATIONS
FOR THE YEAR ENDED JULY 31, 1987

	1987	1986
INCOME:		
Producer deductions (Ex. B).....	$5,480,308	$5,274,455
Processor charges for diversions.....	-	-
Other freight charges to northern plants	-	-
	5,480,308	5,274,455
EXPENSE:		
Transporter payments -		
Assigned plant deliveries.....	5,340,855	5,208,251
Diversions.....	130,719	62,062
Extra pick-up.....	2,672	560
Professional fees.....	5,400	5,400
Other.....	662	4,682
	5,480,308	5,280,955
NET INCOME (LOSS) FOR THE YEAR.....	-	(6,500)
RETAINED INCOME AT BEGINNING OF THE YEAR.....	248,168	254,668
RETAINED INCOME AT END OF THE YEAR.....	$ 248,168	$ 248,168

EXHIBIT E

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF QUOTA REALLOCATION FUND OPERATIONS
FOR THE YEAR ENDED JULY 31, 1987

	1987
INCOME:	
Administration fees on quota reallocated	$291,575
EXPENSE:	
Retirement allowances paid on quota cancelled.....	261,050
NET INCOME FOR THE YEAR.....	30,525
RETAINED INCOME AT BEGINNING OF THE YEAR...	-
RETAINED INCOME AT END OF THE YEAR.....	$ 30,525

EXHIBIT F

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF PROMOTIONAL FUND OPERATIONS
FOR THE YEAR ENDED JULY 31, 1987

	1987	1986
INCOME:		
Producer deductions (Ex. B).....	$1,421,982	$1,332,845
- Cream.....	22,567	22,451
Interest income.....	452,087	490,294
	1,896,636	1,845,590
EXPENSE:		
Advertising -		
Direct-Provincial.....	149,852	222,981
Dairy Bureau of Canada - National...	1,232,576	1,184,152
Depreciation.....	10,322	8,955
Members' per diem and travel(Note 4)..	4,552	2,396
Occupancy.....	24,254	22,519
Postage and telecommunication.....	15,244	16,078
Promotional events and programs.....	40,973	54,044
Promotional materials.....	207,154	206,798
Salaries and benefits.....	194,203	163,295
Staff travel.....	31,281	28,553
Other.....	35,763	25,949
	1,946,174	1,935,720
NET INCOME (LOSS) FOR THE YEAR.....	(49,538)	(90,130)
APPROPRIATION FROM MILK POOL ADMINISTRATION FUND	49,538	73,588
RETAINED INCOME AT BEGINNING OF THE YEAR.....	-	16,542
RETAINED INCOME(DEFICIT) AT END OF THE YEAR..	$ -	$ -

EXHIBIT G

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF NORTHERN ALLOWANCE FUND OPERATIONS
FOR THE YEAR ENDED JULY 31, 1987

	1987	1986
INCOME:		
Producer deductions (Ex. B).....	$73,231	$71,334
EXPENSE:		
Payments to northern producers.....	70,498	68,379
NET INCOME FOR THE YEAR.....	2,733	2,955
RETAINED INCOME AT BEGINNING OF THE YEAR.....	27,084	24,129
RETAINED INCOME AT END OF THE YEAR.....	$29,817	$27,084

EXHIBIT H

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STATEMENT OF CHANGES IN CASH POSITION
FOR THE YEAR ENDED JULY 31, 1987

	1987	1986
OPERATING ACTIVITIES:		
(Loss) net income of Funds -		
Administrative Funds (Ex. C).....	(59,910)	(5,965)
Transportation Fund (Ex. D).....	-	(6,500)
Quota Reallocation Fund (Ex. E).....	30,525	-
Promotional Fund (Ex. F).....	(49,538)	(90,130)
Northern Allowance Fund (Ex. G).....	2,733	2,955
Milk Pool Fund (Ex. B).....	-	187,105
	(76,190)	87,465
Non-cash items included in above -		
Depreciation of equipment.....	38,231	33,167
	(37,959)	120,632
INVESTING ACTIVITIES:		
Purchase of equipment.....	(29,894)	(29,293)
	(29,894)	(29,293)
INCREASE(DECREASE)IN WORKING CAPITAL POSITION FOR THE YEAR.....	(67,853)	91,339
CASH PROVIDED BY (USED IN) OPERATION OF NON-CASH WORKING CAPITAL COMPONENTS.....	1,146,995	(1,090,878)
INCREASE(DECREASE) IN CASH POSITION FOR THE YEAR.....	1,079,142	(999,539)
CASH POSITION AT BEGINNING OF THE YEAR.....	3,790,837	4,790,376
CASH POSITION AT END OF THE YEAR.....	$4,869,979	$3,790,837

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

NOTES TO FINANCIAL STATEMENTS
JULY 31, 1987

1. Summary of Activities and Significant Accounting Policies:
The Manitoba Milk Producers' Marketing Board is responsible under the statutes of Manitoba for the control and regulation of the marketing of milk in the province.

Milk Pool Fund -

(a) Selling prices - The value of milk sold to processors is determined by its final product use. The Board sets the prices charged to processors except for Class I milk which is set by the Manitoba Milk Prices Review Commission. For purposes of accountability to producers the Board credits income from processor sales to a milk pool fund.

(b) Cost of sales - Income from processor sales in the milk pool fund referred to above is paid to the individual producers based on the quality and quantity of milk shipped. The operation of the milk pool is accounted for in Exhibit B.

Producer Deduction Funds -

Operating expenses - The Board is authorized through provincial statute to deduct fees from producer milk pool payments to cover operating expenses. Such deductions are accounted for separately in Exhibits C, D, F and G.

Office Equipment and Improvements -

Office equipment and improvements are generally valued at cost. Depreciation is provided for on the straight-line basis over an estimated life of 5 years for equipment and the lease term for improvements.

2. Commitments:

Contracts to purchase land $95,000 and equipment $245,000 have been entered into by the Board.

Operating lease for office space at a base rental of $56,520 per annum until March 31, 1989. Annual share of property taxes, maintenance and electrical costs are added to this rental.

Operating lease for office equipment at base rental of $7,924 per annum until November 1989.

Lease payments in the next 5 fiscal years are 1988 - $64,444, 1989- $21,394, 1990 - Nil, 1991 - Nil, 1992 - Nil.

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

NOTES TO FINANCIAL STATEMENTS

JULY 31, 1987

3. Pension Plan:

Employees of the Board participate in the Manitoba Civil Service Superannuation Board pension plan which is a defined benefit plan. The Board participates in the plan on a defined contribution basis whereby it contributes to the plan a fixed amount equal to the amount contributed by the employees. Pension expense of $31,773 represents the fixed contributions made during the year and is included in salaries and benefits.

4. Elected Members Per Diem and Travel Expenses:

Members are paid a per diem of $135 and the Chairman $170 for time spent at meetings or on business matters of the Board.

	Per Diem	Expenses
A. V. Rampton - Chairman.....	$ 53,543	$27,620
L. Balcaen - Vice-Chairman.....	15,453	13,635
C. Finnie - Executive Member.....	11,542	7,699
R. Dueck.....	8,100	4,334
A. Goresky.....	8,781	3,141
C. J. Knockaert.....	12,716	9,523
G. Krebs.....	431	207
J. van den Ham.....	11,968	11,002
N. Van Ryssel.....	6,277	3,309
J. D. Wilton.....	6,607	4,425
	$135,418	$84,895
1986	$118,824	$62,822

5. Comparative Figures:

Certain of the 1986 comparative figures have been reclassified to conform with the current year's presentation.

6. Litigation:

The Board is involved as a plaintiff in a lawsuit the outcome of which cannot presently be determined with certainty. This contingent gain has not been recognized in the accounts.

Manitoba Milk Pool Results
August 1986 to July 1987

Total Manitoba Production		267,267,032 L
Shipments from O.M.M.B.		991,292 L
Total Pool		268,258,324 L

	Litre each Class	Value per HL	Net Pool Revenue
Class 1	109,143,934	$52.37	
Class 2	6,506,835	44.70	
Class 2A	9,952,269	44.00	
Class 2B	6,134,967	43.78	
Class 3	39,115,418	39.90	
Class 3A	28,305,180	39.90	
Class 4	5,663,307	40.58	
Class 5	38,836,841	40.03	
Class 6	143,815	39.99	
Class 7	(183,773)	39.91	
Unsaleable	67,518	39.99	
Production In/De/In/Tap	243,686,311	45.92	
Less Diversion Costs		.05	
Pool Administration		.14	
Price/HL In/De/In/Tap		$45.73	$111,436,262.41
Production Over/De Class 3	3,310,276	39.66	1,312,808.32
Institutional Class 3	139,488	39.70	55,372.47
Production for Export Class 3	4,532,855	39.76	1,802,101.63
Production Over/Tap, Class 3	15,438,682	39.75	6,137,042.55
Saskatchewan, Class 5	159,420	35.17	56,065.50
Total Over/Tap	15,598,102		6,193,108.05
O.M.M.B.	991,292	39.90	395,496.67
Total Pool	268,258,324	45.18	$121,195,149.55
Total Pool 1985–86	261,216,719	44.92	$117,340,278.25

Fluid and Industrial Utilization Summary

Manitoba Production within 98% of Tap		247,136,075 L	100.0000%
Less Litres Ineligible for Subsidy:			
Used for C1.1 (Fluid 44.1635%)	109,143,934 L		
Plus 6.1% for creams	6,657,781 L	115,801,715 L	46.8575%
Balance for Manufactured Products		131,334,360 L	53.1425%
Export production (Eligible for Subsidy) plus Over/Tap		20,130,957	

Average Butterfat content 3.62871 kg/HL in Manitoba Production.

Assessments and Levies

The deductions made on payments to producers for marketing costs are currently as follows:

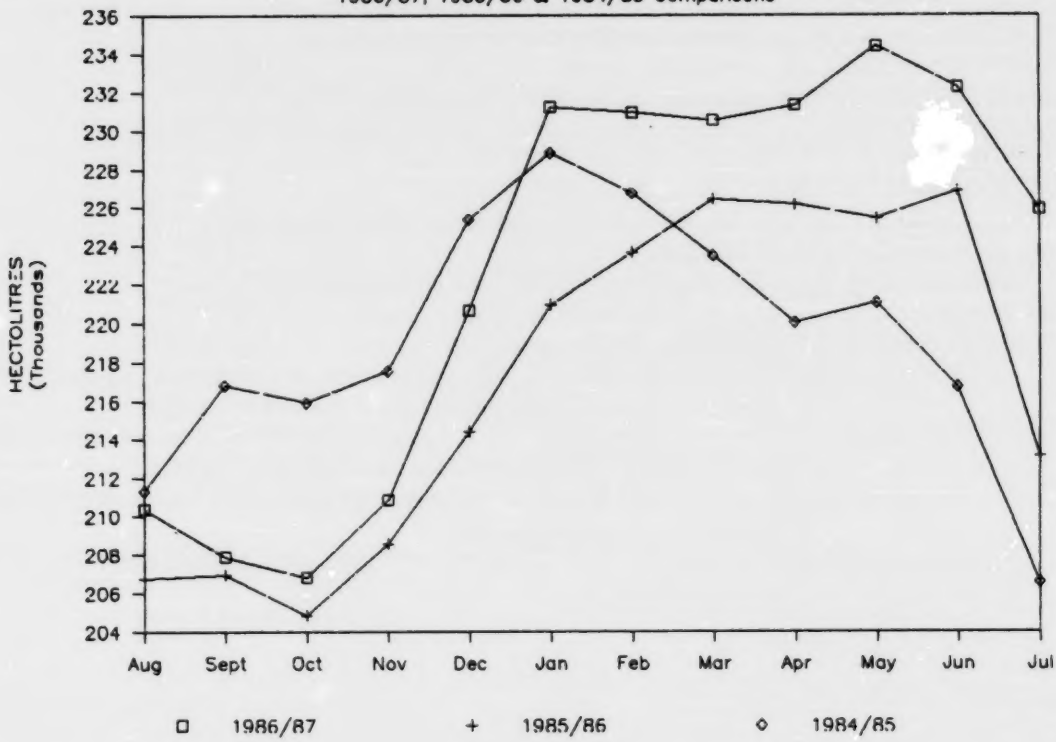
1. Transportation — variable rates according to volume and distance.
2. Milk Pool Administration — 14 cents per HL.
3. Board Operation — 19.4 cents per HL (Manitoba Regulation 174/84).
4. Northern Equalization — 2.74 cents per HL (Manitoba Regulation 85/82).
5. Dairy Promotion —
   54 cents per HL on milk production (Man. Reg. 273/86).
   2 cents per kg B.F. on farm–separated cream deliveries (Manitoba Regulation 211/85).
6. Market Share Quota Administration —
   14 cents per HL on industrial milk portion of total milk shipments.
   3.9 cents per kg B.F. on cream deliveries (Man. Reg. 160/84).
7. Canadian Dairy Commission levies to dispose of surplus stock:

— Within quota levy	— $4.42 per HL on the industrial milk portion of shipments up to 100%* of a milk producer's T.A.P. Year–to–date.
— Special export levy	— $28.50 per HL on all milk (industrial) between 100%* and 102%* of a milk producer's T.A.P. year–to–date.
— Over–quota levy	— $37.04 per HL on production over 102%* of a milk producer's T.A.P. year–to–date.
— Holdback from subsidy	— 30.15 cents per HL on Class I volume (Fluid Skim–off Levy).

* Add the percentage of cover–off, if applicable.

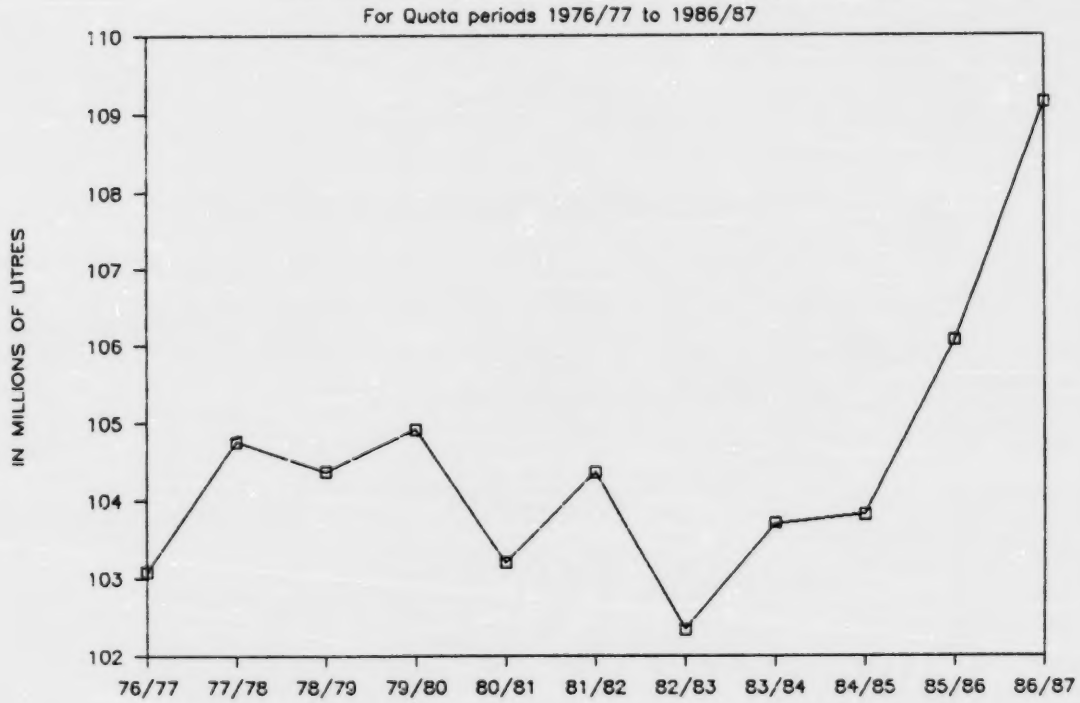
MILK PRODUCTION – MONTHLY

1986/87, 1985/86 & 1984/85 Comparisons



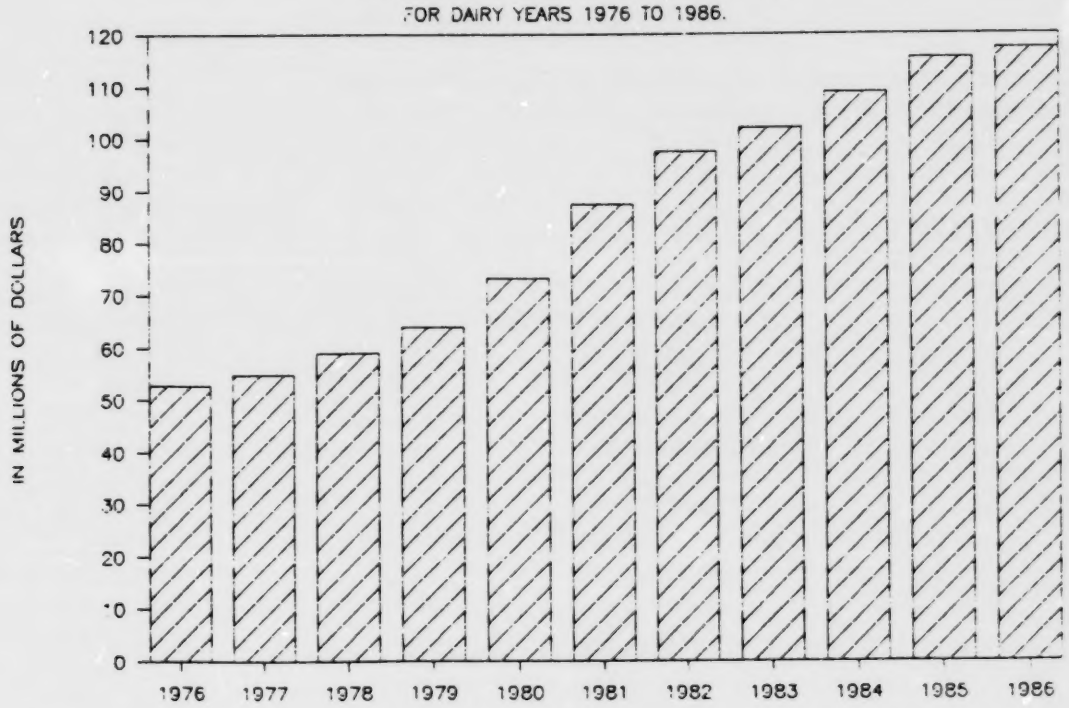
CLASS 1 SALES COMPARISONS

For Quota periods 1976/77 to 1986/87



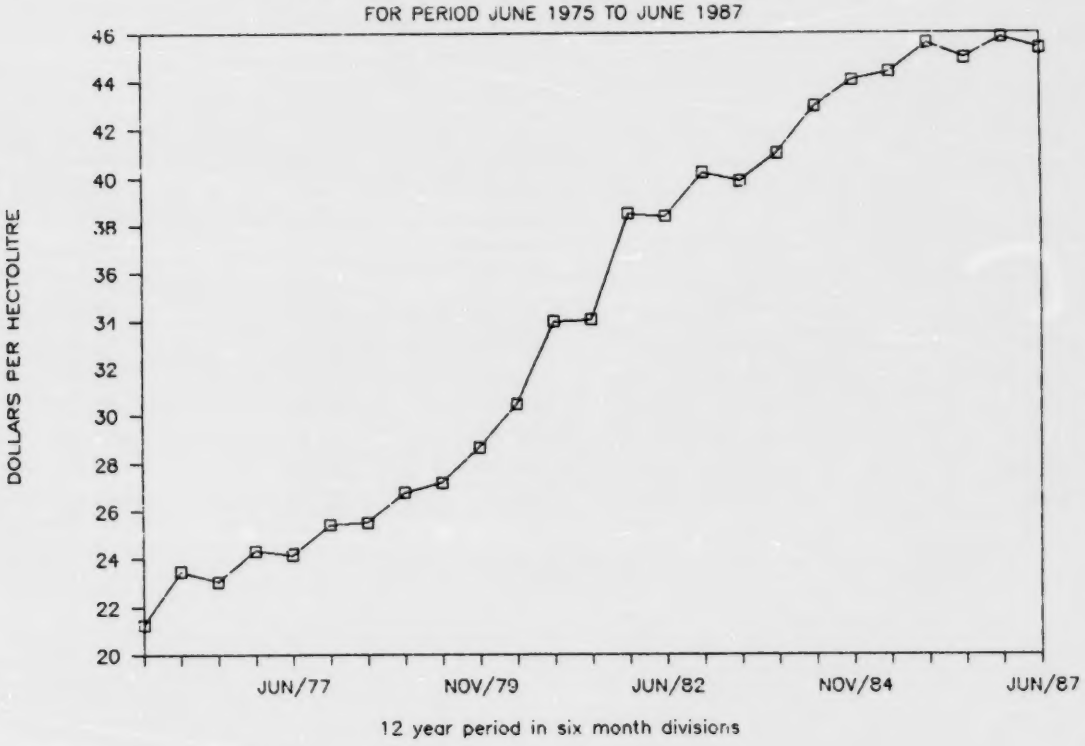
TOTAL POOL REVENUES

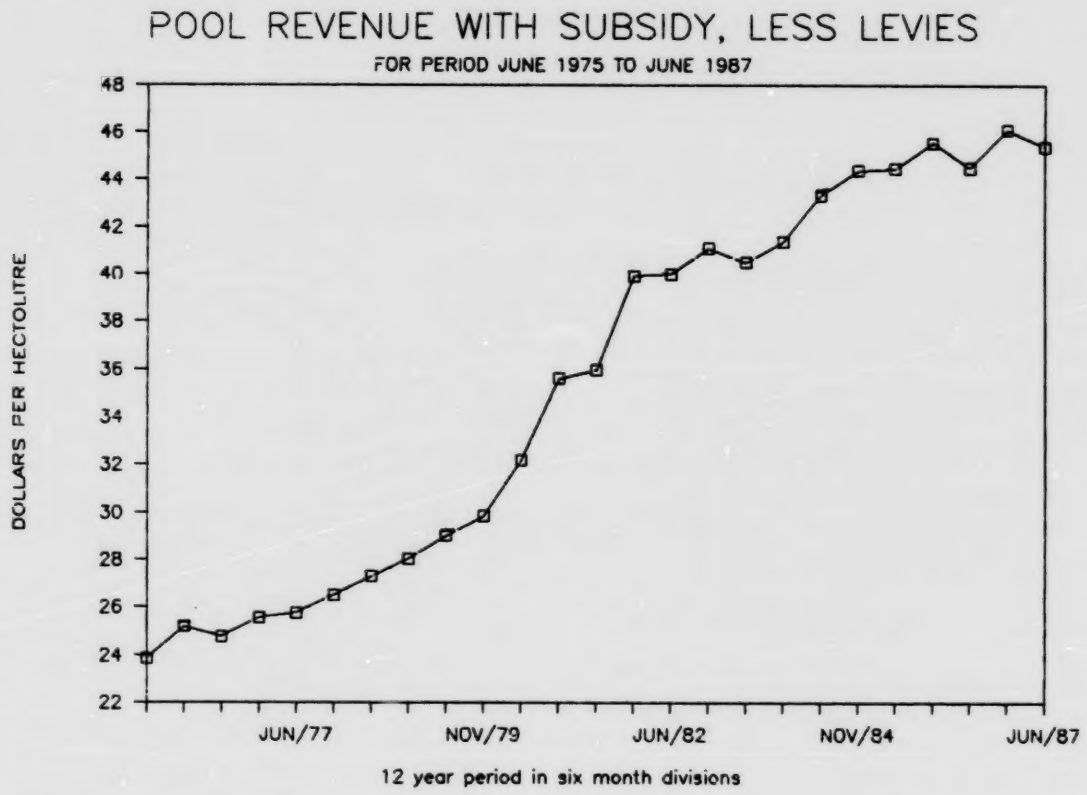
FOR DAIRY YEARS 1976 TO 1986.



POOL REVENUE $/HECTOLITRE

FOR PERIOD JUNE 1975 TO JUNE 1987





Prices Paid by Processors for Each Class of Utilization

($/cents per hectolitre)

	June 1986	September 1986	June 1987	September 1987
Class 1	53.00	53.00	51.90	51.90
Class 2	43.81	44.73	44.73	44.73
Class 2A	43.10	44.02	44.02	44.02
Class 2B	42.88	43.80	43.80	43.80
Class 3	38.99	39.99	39.99	39.91
Class 3A	38.99	39.99	39.99	39.91
Class 4	39.67	40.67	40.67	40.59
Class 5	39.23	40.03	40.03	40.03
Class 6	38.99	39.99	39.99	39.91
Class 7	38.99	39.99	39.99	39.91

Federal Dairy Product Support Prices

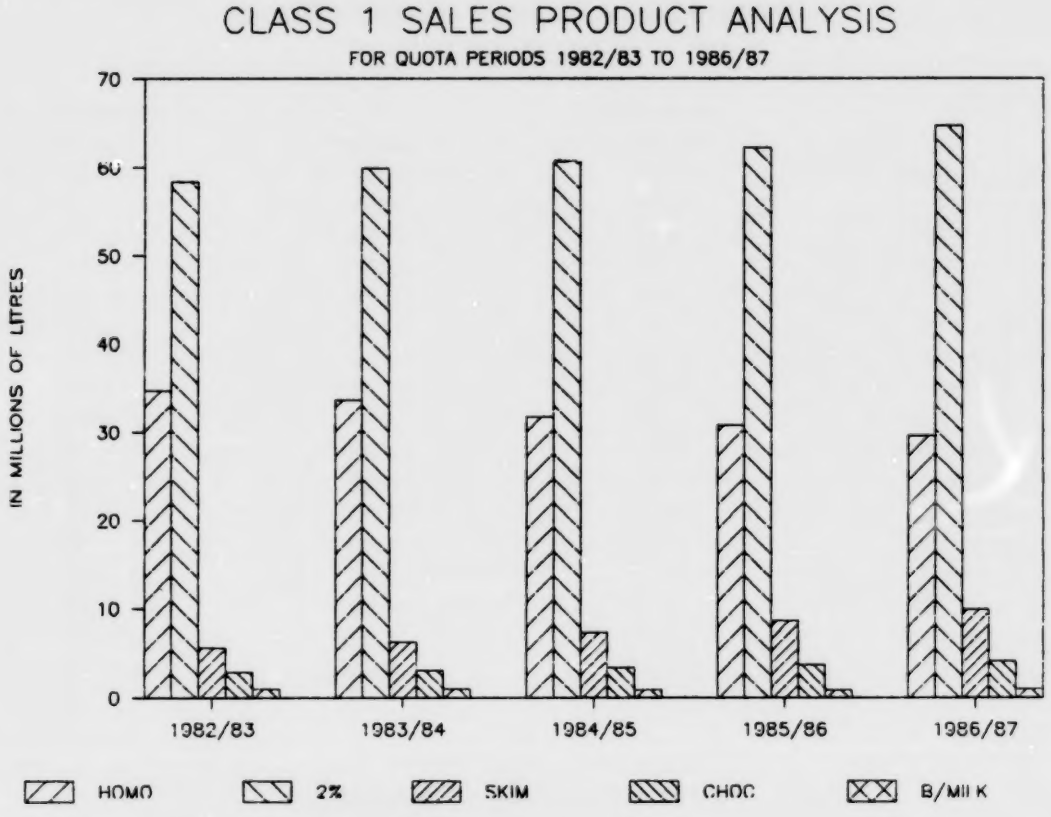
($/cents per kilogram)

	Skim Milk Powder	Butter	Cheddar Cheese
January 1, 1980	$1.97	$3.26	$1.32
April 1, 1980	2.01	3.34	1.32
August 1, 1980	2.13	3.51	1.32
January 1, 1981	2.20	3.63	1.32
April 1, 1981	2.28	3.78	1.32
August 1, 1981	2.37	3.95	1.32
January 1, 1982	2.46	4.13	1.32
April 1, 1982	2.50	4.17	1.32
August 1, 1982	2.59	4.33	1.32
January 1, 1983	2.61	4.38	1.32
April 1, 1983	2.65	4.42	1.32
August 1, 1983	2.72	4.55	1.32
January 1, 1984	2.74	4.60	1.32
April 1, 1984	2.79	4.71	1.32
August 1, 1984	2.85	4.784	1.32
August 16, 1985	2.922	4.929	1.32
August 1, 1986	2.978	5.035	1.32

Federal Subsidies Payable on Industrial Milk Deliveries Within M.S.Q.

($/cents per unit)

	Milk HL	Butterfat kg
April 1, 1974	$5.22	$1.449
June 1, 1974	5.81	1.612
April 1, 1975	6.03	1.676
April 1, 1976	6.03	1.676
April 1, 1977	6.03	1.676
April 1, 1978	6.03	1.676
August 1, 1979	6.03	1.676
August 1, 1980	6.03	1.676
August 1, 1981	6.03	1.675
August 1, 1982	6.03	1.675
August 1, 1983	6.03	1.675
August 1, 1984	6.03	1.675
August 1, 1985	6.03	1.675
August 1, 1986	6.03	1.675
August 1, 1987	6.03	1.675



Breakdown of Sales and Manufacture of Dairy Products Within Fluid Plants During the Period

August 1985 to July 1987

Sales	**1985–1986**		**1986–1987**	
	Litres in 000's	**%**	**Litres in 000's**	**%**
Class II				
— Cereal and 18% Cream	2,182	47.74	2,295	46.99
— Whipping	908	19.86	947	19.39
— Salad/Sour	1,481	32.40	1,642	33.62
Total Class II	4,571	100.00	4,885	100.00
Manufacture	**Litres**		**Litres**	
Class IIA	**in 000's**		**in 000's**	
— Cottage Cheese, including Dressing and Starter, Spread Cheese	7,897		7,803	
— Yogurt	1,723		1,605	
— Egg Nog	547		608	
Class IIB				
— Ice Cream, Ice Milk, Milkshake and Sherbert Mixes	6,383		5,611	

Manitoba Regulation 273/86

Being Regulation 2/86 of The Manitoba Milk Producers' Marketing Board made under The Manitoba Milk Producers' Marketing Plan being Manitoba Regulation 185/84 (herein called the "Plan") and The Natural Products Marketing Act

(Filed December 11, 1986)

Dairy Promotion Fees Regulation Amendment

1 Section 1 of Manitoba Regulation 90/75 as amended by Manitoba Regulation 258/86 is hereby repealed and the following section substituted therefor:

"1 A fee is imposed on each producer of 54 cents for each hectolitre of milk produced by him."

2 Manitoba Regulation 258/86 is repealed.

3 This regulation shall come into force on the first day of January, 1987, or on the day it is filed with the Registrar of Regulations, whichever is the later.

In Witness Whereof the seal of The Manitoba Milk Producers' Marketing Board is hereon impressed, duly attested by the hands of its proper officers in that behalf on the 28th day of October, 1986.

THE MANITOBA
MILK PRODUCERS'
MARKETING BOARD
Per:

"Arthur Rampton"

Arthur Rampton,
Chairman

"Clarence Vincent"

Clarence Vincent,
Secretary

Approved by The Manitoba Natural Products Marketing Council this 4th day of December, 1986.

THE MANITOBA
NATURAL PRODUCTS
MARKETING COUNCIL
Per:

"Daniel Gislason"

Daniel Gislason,
Chairman

"Gordon A. MacKenzie"

Gordon A. MacKenzie,
Secretary

Printed by the Queen's Printer for the Province of Manitoba

Manitoba Regulation 276/86

Being a Regulation under The Natural Products Marketing Act to amend The Manitoba Milk Producers Marketing Plan, being Manitoba Regulation 185/84

(Filed December 11, 1986)

1 Subsection 20.(2) of Manitoba Regulation 185/84 is repealed and the following is substituted therefor:

"(2) A quota allotted to a producer by the producer board is the property of the producer board. No person shall transfer, assign or sell a quota to another person. No person shall offer to transfer, assign, or sell a quota to another person, or receive payment for a quota, or offer to buy a quota from a producer, or make a payment to a producer for a quota.

2 Manitoba Regulation 224/86 is repealed.

Règlement du Manitoba 276/86

Règlement d'application de la Loi sur la mise en marché des produits de la nature modifiant le Programme des producteurs manitobains pour la commercialisation du lait créé par le règlement du Manitoba 185/84

(Déposé le 11 décembre 1986)

1 Le paragraphe 20(2) du règlement du Manitoba 185/84 est abrogé et remplacé par ce qui suit :

"(2) Le quota qu'attribue l'organisation de producteurs à un producteur demeure la propriété de celle-ci. Nul ne peut transférer, céder ni vendre un quota à une autre personne. De plus, nul ne peut offrir de transférer, de céder ni de vendre un quota à une autre personne, recevoir un paiement en contrepartie d'un quota, offrir d'acheter un quota d'un producteur ou faire un paiement à un producteur pour un quota."

2 Le règlement du Manitoba 224/86 est abrogé.

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THE NATURAL PRODUCTS MARKETING ACT
(C.C.S.M. c. N20)

Manitoba Milk Market Sharing Plan Regulation

Regulation 246/87 R
Filed June 22, 1987

Definitions
1 In this plan,

"board" means The Manitoba Milk Producers' Marketing Board; ("Office")

"catastrophe" includes severe illness or death of the quota holder, sudden death of a significant part of the producing herd, destruction of the production facilities, severe infection of an uncontrollable disease, or a disease which requires a slaughter by health authorities; ("catastrophe")

"Commission" means the Canadian Dairy Commission; ("Commission")

"Comprehensive Milk Marketing Plan" means the plan for regulating the marketing of milk in accordance with an agreement or agreements entered into by federal and provincial authorities; ("Plan national de commercialisation du lait")

"dairy year" means a 12 month period, designated by the Canadian Dairy Commission; ("campagne laitière")

"fluid milk product" means homogenized milk, standard milk, partly skimmed milk, skim milk, chocolate milk and dairy drink, flavoured milk, buttermilk and fluid creams; ("lait de consommation")

"industrial milk" means all milk or cream delivered to a processor or to the board by a milk producer which is not used for fluid milk products as determined by the board; ("lait de transformation")

"Manitoba council" means The Manitoba Natural Products Marketing Council; ("Conseil manitobain")

"Manitoba reserve" means the amount of unallocated market sharing quota established pursuant to section 11 of these regulations; ("réserve du Manitoba")

LOI SUR LA COMMERCIALISATION DES PRODUITS NATURELS
(C.P.L.M., c. N20)

Programme manitobain pour le partage du marché du lait

Règlement 246/87 R
Date de dépôt : le 22 juin 1987

Définitions
1(1) Les définitions qui suivent s'appliquent au présent programme.

"campagne laitière" La période de 12 mois fixée par la Commission canadienne du lait. ("dairy year")

"catastrophe" Sont assimilées à une catastrophe la maladie grave ou la mort du titulaire du contingent, la mort subite d'une partie importante du troupeau producteur, la destruction des installations de production, la propagation grave d'une maladie impossible à enrayer, ou une maladie qui rend nécessaire l'abattage des bêtes par les autorités sanitaires. ("catastrophe")

"Commission" La Commission canadienne du lait. ("Commission")

"Conseil manitobain" Le Conseil manitobain de commercialisation des produits naturels. ("Manitoba council")

"contingent de mise en marché" La quantité de lait de transformation que peut livrer un producteur, déterminée par l'Office en application des dispositions du présent règlement, qui sert de base au calcul des contributions que perçoit la Commission sur les ventes de lait de transformation par les producteurs. ("market sharing quota")

"lait" S'entend de la sécrétion normale de la glande mammaire de la vache. ("milk")

"lait de consommation" Le lait homogénéisé, le lait ordinaire, le lait partiellement écrémé, le lait écrémé, le lait au chocolat et les boissons lactées, le lait aromatisé, le babeurre et les crèmes liquides. ("fluid milk product")

"lait de transformation" La totalité du lait ou de la crème livrée à un transformateur ou à l'Office par un producteur de lait et qui n'entre pas dans les produits de lait de consommation déterminés par l'Office. ("industrial milk")

"Office" L'Office des producteurs manitobains pour la commercialisation du lait. ("Board")

"market sharing quota" means an amount of industrial milk deliverable by a producer as determined by the board pursuant to these regulations as the basis of the calculation of the levies imposed by the Commission on sales of industrial milk by producers; ("contingent de mise en marché")

"milk" means the normal secretion obtained from the mammary gland of a cow; ("lait")

"processor" means any person who alters the form or composition of milk or cream in any manner from the form and composition in which it is received from the producer; and includes a dairy manufacturing plant; ("transformateur")

"producer" means a person who produces milk from his own herd. ("producteur")

Purpose

2 The general purpose and intention of this regulation is to provide authority to the board to administer effectively and to apportion equitably amongst producers in Manitoba, the share of the Canadian Industrial Milk Market allocated to Manitoba by the Comprehensive Milk Marketing Plan.

Advisory committee

3(1) The board shall establish a committee to be known as the Market Sharing Quota Advisory Committee, whose purpose shall be to review and advise the board regarding the administration of market sharing quotas within the province.

3(2) The Market Sharing Quota Advisory Committee shall consist of three persons appointed by the board and a cream producer and a member of the staff of the Department of Agriculture both of whom shall be appointed by the Manitoba Marketing council.

Allocation of market sharing quotas to producers

4(1) On the application of a producer, the board may allot a market sharing quota to that producer in accordance with this regulation in respect of any milk producing unit operated by him.

4(2) Not more than one market sharing quota shall be issued in respect of any milk producing herd or herds operated as a single unit, and each market sharing quota shall be numbered.

4(3) Notwithstanding sections 4 and 6, no allotment of a market sharing quota shall be made to any producer unless the allotment has been approved by The Manitoba Marketing council.

"Plan national de commercialisation du lait" Le plan visant la réglementation de la commercialisation du lait conformément à l'entente ou aux ententes conclues par les autorités fédérales et provinciales. ("Comprehensive Milk Marketing Plan")

"producteur" Personne dont la production de lait provient de son propre troupeau. ("producer")

"réserve du Manitoba" La quantité de contingents de mise en marché non attribués établie en application de l'article 11 du présent règlement. ("Manitoba reserve")

"transformateur" Personne qui modifie, de quelque manière que ce soit, la forme ou la composition du lait ou de la crème qu'elle reçoit du producteur; s'entend également d'un établissement de préparation de produits laitiers. ("processor")

Objet

2 Le présent règlement a pour objet général de conférer à l'Office les pouvoirs qui lui sont nécessaires pour administrer efficacement et répartir équitablement entre les producteurs manitobains la part du marché canadien du lait de transformation attribuée au Manitoba en vertu du Plan national de commercialisation du lait.

Comité consultatif

3(1) L'Office établit un comité appelé Comité consultatif sur les contingents de mise en marché, qui a pour fonctions d'examiner la mise en oeuvre des contingents de mise en marché et de conseiller l'Office sur cette question.

3(2) Le Comité consultatif sur les contingents de mise en marché est constitué de trois personnes nommées par l'Office ainsi que d'un producteur de crème et d'un fonctionnaire du ministère de l'Agriculture nommés par le Conseil manitobain.

Attribution de contingents de mise en marché aux producteurs

4(1) L'Office peut, conformément au présent règlement, attribuer au producteur qui en fait la demande un contingent de mise en marché visant toute unité de production laitière exploitée par ce dernier.

4(2) L'Office n'émet qu'un seul contingent de mise en marché à l'égard d'un ou de plusieurs troupeaux exploités comme unité de production unique, et chaque contingent porte un numéro.

4(3) Par dérogation aux articles 4 et 6, aucun contingent de mise en marché ne peut être attribué à un producteur sans l'approbation du Conseil manitobain.

Adjustment of market sharing quotas by the board

5 A producer may apply to the board for an adjustment in his market sharing quota at any time during the course of the dairy year in respect of any unit operated by him if there is a variation in the production of milk by that unit.

6 The board shall allocate to any producer who does not have a market sharing quota but who in any dairy year ships 196 kilograms of butterfat, which is not used for fluid milk products as determined by the board, a market sharing quota of not less than 196 kilograms.

7(1) Notwithstanding anything contained in these regulations,

(a) the board may on its own motion or otherwise adjust or vary the market sharing quota of any producer on one month written notice to such producer and after hearing and considering any representations which the producer may wish to make, in order that the quota of each producer shall bear a proper and equitable relationship to the quota of each other producer in the opinion of the board having regard to; the share of the Canadian Industrial Milk Market allocated to Manitoba from time to time under the Comprehensive Milk Marketing Plan, the number of producers in Manitoba and their production of milk, the total amount of market sharing quota issued to producers, and the amount of the Manitoba reserve; and

(b) the board shall not allocate a market sharing quota to a producer who shipped less than 196 kilograms of butterfat during the preceding dairy year.

7(2) Subject to subsection (1) of this section,

(a) a producer who fulfills 90% of his market sharing quota during a dairy year is entitled to the same amount of the market sharing quota for the following dairy year; and

(b) a producer who in a dairy year makes deliveries of milk that are less than 90% of his market sharing quota, shall in the following dairy year be allocated a market sharing quota equal to 111% of those deliveries.

8(1) Subject to subsection (2) of this section, the board shall terminate the market sharing quota of any producer who discontinues the production of milk.

Rajustement des contingents de mise en marché par l'Office

5 En tout temps au cours de la campagne laitière, les producteurs peuvent présenter à l'Office une demande de rajustement de leur contingent de mise en marché si la production de lait de quelque unité qu'ils exploitent connaît des fluctuations.

6 L'Office attribue un contingent de mise en marché d'au moins 196 kilogrammes aux producteurs qui n'ont pas de contingent de mise en marché, mais qui expédient, au cours d'une campagne laitière, 196 kilogrammes de matière grasse qui n'entrent pas dans les produits de lait de consommation déterminés par l'Office.

7(1) Par dérogation aux autres dispositions du présent règlement :

a) l'Office peut, de sa propre initiative ou autrement, rajuster le contingent de mise en marché d'un producteur après lui avoir donné un avis écrit d'un mois et après avoir entendu et pris en considération les observations du producteur, afin que soit maintenu, de l'avis de l'Office, un rapport approprié et équitable entre les contingents des différents producteurs, eu égard à la part du marché canadien du lait de transformation attribuée périodiquement au Manitoba en vertu du Plan national de commercialisation du lait, au nombre de producteurs manitobains et à la production laitière, au nombre total de contingents de mise en marché accordés aux producteurs, ainsi qu'à l'importance de la réserve du Manitoba;

b) l'Office ne peut attribuer de contingent de mise en marché au producteur qui a expédié moins de 196 kilogrammes de matière grasse au cours de la campagne laitière précédente.

7(2) Sous réserve du paragraphe (1) du présent article :

a) le producteur qui réalise 90 % de son contingent de mise en marché au cours d'une campagne laitière a droit au même contingent de mise en marché au cours de la campagne laitière suivante;

b) le producteur qui, au cours d'une campagne laitière, effectue des livraisons de lait inférieures à 90 % de son contingent de mise en marché se voit attibuer, pour la campagne laitière suivante, un contingent égal à 111 % de ces livraisons.

8(1) Sous réserve du paragraphe (2) du présent article, l'Office retire le contingent de mise en marché des producteurs qui cessent de produire du lait.

8(2) The board may in its discretion, at the request of a producer, defer the termination of the market sharing quota of a producer if the producer's herd or production from the herd is affected by catastrophe or for any other reason that the board may consider proper, for such length of time as the board may determine.

Assessment and levies

9(1) Each producer of industrial milk shall be assessed levies as ordered by the Commission in accordance with the Comprehensive Milk Marketing Plan, which shall be collected as provided in this section by the board as the agent of the Commission.

9(2) Each processor before making payment to a producer of industrial milk shall deduct from the total amount payable to such producer the amounts levied by the Commission and unpaid, pursuant to subsection (1) of this section, and shall forthwith pay the amounts so deducted to the board, not later than the 15th day of the month following the month in which the deductions are made.

9(3) In the case of sales of industrial milk to the board by a producer, the board shall deduct the amounts levied pursuant to subsection (1) of this section from the monies payable to the producer.

9(4) Subject to the approval of the Manitoba Marketing council, the board may make regulations imposing service charges on producers of industrial milk and it may collect the service charges so imposed from any person engaged in the marketing of industrial milk.

Administration

10 The board shall maintain a record of unallocated market sharing quota to be known as the Manitoba reserve, and all market sharing quotas allocated to producers shall be charged to the Manitoba reserve. The amounts of market sharing quotas which are terminated and amounts by which market sharing quotas are reduced shall be credited to the Manitoba reserve.

11 This board may by resolution

(a) prescribe the forms and manner of completing applications and such other forms as may be necessary for the administration of these regulations; and

(b) determine whether for the purposes of this regulation two or more herds are operated by a producer or producers as one milk producing unit.

8(2) Sur demande d'un producteur, l'Office peut, à sa discrétion, différer, pour la période qu'il détermine, la date d'échéance du contingent de mise en marché de ce producteur, si le troupeau ou la production du troupeau de ce dernier est touché par une catastrophe, ou pour toute autre raison qu'il juge valable.

Cotisation et contributions

9(1) Les producteurs de lait de transformation se voient imposer des contributions, qui sont prescrites par la Commission conformément au Plan national de commercialisation du lait et perçues de la manière prévue au présent article par l'Office à titre de mandataire de la Commission.

9(2) Avant d'effectuer un paiement à un producteur de lait de transformation, les transformateurs déduisent du montant payable au producteur les contributions impayées qui sont imposées par la Commission, conformément au paragraphe (1) du présent article, et versent immédiatement les montants ainsi déduits à l'Office, au plus tard le 15e jour du mois qui suit le mois au cours duquel les déductions sont faites.

9(3) Lorsqu'un producteur vend du lait de transformation à l'Office, ce dernier déduit les contributions imposées en vertu du paragraphe (1) du présent article des sommes payables au producteur.

9(4) L'Office peut, sous réserve de l'approbation du Conseil manitobain, imposer par règlement des frais de gestion aux producteurs de lait de transformation et percevoir les frais en question de toute personne s'occupant de la commercialisation du lait de transformation.

Mise en oeuvre

10 L'Office tient un registre des contingents de mise en marché non attribués, appelé la réserve du Manitoba, et tous les contingents de mise en marché attribués aux producteurs sont portés au débit de ladite réserve. Les contingents de mise en marché venus à échéance ainsi que les contingents réduits sont portés au crédit de la réserve du Manitoba.

11 L'Office peut, par résolution :

a) prescrire les formulaires de demande et autres formulaires nécessaires à la mise en oeuvre de ces règlements, ainsi que la manière de les remplir;

b) déterminer si, pour l'application du présent règlement, deux troupeaux ou plus sont exploités par un ou plusieurs producteurs comme une unité de production de lait.

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THE NATURAL PRODUCTS MARKETING ACT
(C.C.S.M. c. N20)

Manitoba Milk Producers' Marketing Plan Regulation

Regulation 247/87 R
Filed June 22, 1987

Definitions

1 In this Plan,

"consumer" means a person who receives or purchases, or offers to receive or purchase, milk or dairy products for his own use or for the use of his family or household, or any use other than resale or manufacturing or processing, directly or indirectly; ("consommateur")

"daily entitlement quota" means a base, expressed in litres of milk per day, allocated to a registered producer by the producer board for the purpose of calculating prices payable to the producer for regulated product delivered by him pursuant to a daily entitlement pricing policy established by the producer board; ("contingent quotidien admissible")

"dairy cows" means cows kept by a producer for the purpose of marketing milk from such cows; ("vaches laitières")

"dairy products" means milk, cream, condensed milk, dry milk, evaporated milk, sterile milk, milk powder, butter, cheese, ice cream, or any other food substance for human consumption made wholly or mainly from milk; ("produits laitiers")

"designated representative" means a person designated by a registered producer which is a corporation or a partnership to attend meetings and vote on behalf of the corporation or partnership; ("représentant désigné")

"distributor" means a person who distributes or sells, or offers to distribute or sell, milk or dairy products for consumption, manufacturing, processing, or resale; ("distributeur")

"facility" means any building, structure, equipment or land used in connection with the production of the regulated product; ("installation")

LOI SUR LA COMMERCIALISATION DES PRODUITS NATURELS
(C.P.L.M., c. N20)

Programme des producteurs manitobains pour la commercialisation du lait

Règlement 247/87 R
Date de dépôt : le 22 juin 1987

Définitions

1 Les définitions qui suivent s'appliquent au présent programme, à moins que l'intention contraire ne ressorte du contexte.

"commercialisation" S'entend de la vente, de la proposition de vente, du traitement, de l'achat ou de la proposition d'achat. Sont notamment visés la publicité, l'emballage, l'emmagasinage, l'expédition et le transport dans la province. Ne sont cependant pas visés l'emballage et l'emmagasinage sur les lieux par le producteur. ("marketing")

"Commission manitobaine de contrôle du prix du lait" La Commission manitobaine de contrôle du prix du lait établie aux termes de la Loi sur le contrôle du prix du lait. ("Milk Prices Review Commission")

"Conseil manitobain" Le Conseil manitobain de commercialisation des produits naturels. ("Manitoba Council")

"consommateur" Personne qui reçoit ou achète, ou offre de recevoir ou d'acheter, du lait ou des produits laitiers pour son usage personnel ou celui de sa famille ou de sa maisonnée, ou pour toute autre fin que la revente, la fabrication ou le traitement, directement ou indirectement. ("consumer")

"contingent" S'entend d'un contingent quotidien admissible, ou d'un contingent de production total admissible, ou des deux, suivant le contexte. ("quota")

"contingent de production total admissible" S'entend du contingent de base, exprimé en litres de lait par jour, attribué par l'organisation de producteurs à un producteur inscrit aux fins du calcul des contributions de surproduction mensuelles payables à l'organisation de producteurs par le producteur. ("total allowable production quota")

"Manitoba council" means The Manitoba Natural Products Marketing Council; ("Conseil manitobain")

"manufacturer or processor" means any person engaged in the business of processing milk or dairy products or using milk or dairy products in manufacturing within the province; ("fabricant ou transformateur")

"manufacturing or processing" means changing the nature, size, quantity, form or condition of milk or dairy products by mechanical means or otherwise; ("fabrication ou traitement")

"marketing" means selling, or offering for sale, processing, buying, purchasing or offering to buy or purchase and includes advertising, packing, storage, shipping, and transportation, within the province, but does not include packing and storage by a producer on his premises; ("commercialisation")

"milk" means the normal lacteal secretion obtained from the mammary gland of a cow; ("lait")

"milk plant" includes a facility for receiving, storing, manufacturing, or processing milk or manufacturing, or processing dairy products; ("laiterie")

"Milk Prices Review Commission" means The Manitoba Milk Prices Review Commission constituted under The Milk Prices Review Act; ("Commission manitobaine de contrôle du prix du lait")

"producer" means any person who keeps dairy cows for the purpose of producing milk within the province and includes the employer of any such person, a person who under any lease or agreement is entitled to a share of the milk produced by any such person, and a person who takes possession of any milk from any such person under form of security for a debt; ("producteur")

"producer board" means The Manitoba Milk Producers' Marketing Board; ("organisation de producteurs")

"quota" means a daily entitlement quota, or a total allowable production quota, or all of the foregoing as the context may require; ("contingent")

"total allowable production quota" means a base, expressed in litres of milk per day, allocated to a registered producer by the producer board, for the purpose of calculating monthly overproduction levies payable to the producer board by the producer; ("contingent de production total admissible")

"contingent quotidien admissible" S'entend du contingent de base, exprimé en litres de lait par jour, attribué par l'organisation de producteurs à un producteur inscrit aux fins du calcul des prix payables à ce dernier pour ses livraisons de produit réglementé, conformément à la politique de fixation de prix quotidiens établie par l'organisation de producteurs. ("daily entitlement quota")

"distributeur" Personne qui distribue ou vend, ou offre de distribuer ou de vendre, du lait ou des produits laitiers à des fins de consommation, de fabrication, de transformation ou de revente. ("distributor")

"fabricant ou transformateur" Personne qui travaille dans le secteur du traitement du lait ou des produits laitiers ou qui utilise du lait ou des produits laitiers à des fins de fabrication dans la province. ("manufacturer or processor")

"fabrication" ou "traitement" S'entend du changement de nature, de taille, de quantité, de forme ou d'état du lait ou des produits laitiers par des moyens mécaniques ou autres. ("manufacturing or processing")

"installation" S'entend des bâtiments, des constructions, de l'équipement et des biens-fonds servant à la production du produit réglementé. ("facility")

"lait" Sécrétion lactée normale des glandes mammaires de la vache. ("milk")

"laiterie" S'entend notamment d'une installation destinée à la réception, à l'emmagasinage, à la fabrication ou au traitement du lait, ou à la fabrication ou au traitement des produits laitiers. ("milk plant")

"organisation de producteurs" L'Office des producteurs manitobains pour la commercialisation du lait. ("producer board")

"producteur" Personne qui garde des vaches laitières en vue de produire du lait dans la province. Sont également visés l'employeur de cette personne, la personne qui, aux termes d'un bail ou d'une entente, a le droit de recevoir une part du lait produit par ces personnes, ainsi que la personne qui prend possession du lait produit par ces personnes en vertu d'une sûreté quelconque reliée à une dette. ("producer")

"producteur inscrit" Producteur dûment inscrit auprès de l'organisation de producteurs ou titulaire d'une licence de cette organisation et dont le certificat ou la licence est en règle. ("registered producer")

"transporter" means any person engaged in the gathering, haulage or transportation of milk or dairy products within the province; ("transporteur")

"registered producer" means a producer who is duly registered with or licensed by the producer board and whose certificate or license is in good standing; ("producteur inscrit")

"regulated product" means any variety, class, or grade of milk or dairy products produced within the province and any other substance produced within the province by manufacturing or processing that milk, alone or together with any other material or substance or by extraction from that milk of any substance or material. ("produit réglementé")

"produit réglementé" S'entend du lait ou des produits laitiers de toute variété ou produits dans la province, ainsi que de toute autre substance produite dans la province par suite de la fabrication ou du traitement du lait, seul ou avec d'autres matières ou substances ou par l'extraction du lait d'une substance ou d'une matière quelconque. ("regulated product")

"produits laitiers" Lait, crème, lait condensé sucré, lait sec, lait concentré, lait stérilisé, poudre de lait, beurre, fromage, crème glacée ou tout autre produit alimentaire, entièrement ou principalement à base de lait, destiné à la consommation humaine. ("dairy products")

"représentant désigné" Personne désignée par un producteur inscrit qui est une corporation ou une société en nom collectif en vue d'assister aux réunions et de voter au nom de la corporation ou de la société en nom collectif. ("designated representative")

"transporteur" Personne qui fait le ramassage et le transport du lait ou des produits laitiers dans la province. ("transporter")

"vaches laitières" Les vaches gardées par un producteur en vue de commercialiser le lait qu'elles produisent. ("dairy cows")

Purpose

2(1) The general purpose and intention of this plan is to provide for the effective control, regulation and promotion in any and all respects, by the producer board, of the marketing of the regulated product within the province (subject to any order made by the Milk Prices Review Commission).

2(2) The specific purposes of this plan are:

(a) to obtain fair and equitable prices for milk marketed by producers (subject to any order made by the Milk Prices Review Commission);

(b) to develop and maintain the orderly marketing of the regulated product;

(c) to provide a consistent high quality of the regulated product for the market;

(d) to maintain adequate advertising and promotion of the regulated product;

(e) to encourage a continuous supply of the regulated product; and

(f) to gather, compile and distribute statistical information related to the production and marketing of milk and dairy products.

Objet

2(1) Le présent programme a pour objectif général de permettre à l'organisation de producteurs de contrôler, de réglementer et de promouvoir de façon efficace tous les aspects de la commercialisation du produit réglementé dans la province, sous réserve des ordonnances rendues par la Commission manitobaine de contrôle du prix du lait.

2(2) Les objectifs spécifiques du présent programme sont les suivants :

a) obtenir des prix justes et équitables pour le produit réglementé, sous réserve des ordonnances rendues par la Commission manitobaine de contrôle du prix du lait;

b) élaborer et maintenir un système ordonné de commercialisation du produit réglementé;

c) assurer la mise en marché d'un produit réglementé de qualité supérieure et constante;

d) mener des activités de publicité et de promotion appropriées visant le produit réglementé;

e) favoriser une offre soutenue du produit réglementé sur le marché;

f) recueillir, compiler et diffuser des statistiques sur la production et la commercialisation du lait et des produits laitiers.

Constitution of the producer board

3 The Manitoba Milk Producers' Marketing Board, continued by Manitoba Regulation 242/74, is hereby continued.

4(1) The producer board shall continue to consist of nine members who shall at all times be registered producers or designated representatives of a registered producer and who shall be elected in accordance with the provisions of the Administration By-Law.

4(2) A majority of the members of the producer board constitutes a quorum for the transaction of business of the producer board.

Orders and regulations of producer board continued

5 Until altered by an order or regulation made or issued under this Plan, every order or regulation made or issued under The Manitoba Milk Producers' Marketing Plan that was in force immediately before the coming into force of this Plan and subsisting on the day this Plan comes into force is continued and is valid in all respects as if the order or regulation has been made or issued under this Plan.

Administration By-Law of producer board continued

6(1) The Administration By-Law, being By-Law No. 1 of the producer board as approved by the producer board on August 7, 1975 in accordance with subsection 5(1) of Manitoba Regulation 242/74 continues in force. The Adminstration By-Law may be repealed, re-enacted or amended to otherwise provide for the election of the members of the producer board, the establishment of districts, the method of holding meetings, the method of appointing designated representatives, the method of giving notice of meetings, and such other matters relating to the conduct of meetings and the democratic control of the producer board as appear necessary and convenient to the proper administration of the Plan.

Constitution de l'organisation de producteurs

3 L'Office des producteurs manitobains pour la commercialisation du lait, prorogé en vertu du règlement du Manitoba 242/74, est par les présentes prorogé.

4(1) L'organisation de producteurs demeure constituée de neuf membres qui doivent en tout temps être des producteurs inscrits ou des représentants désignés d'un producteur inscrit, et qui sont élus conformément aux dispositions du règlement administratif.

4(2) Le quorum nécessaire à la conduite des affaires de l'organisation est constitué par la majorité des membres de l'organisation de producteurs.

Prorogation des ordonnances et règlements de l'organisation de producteurs

5 Tant qu'une ordonnance ou qu'un règlement découlant de l'application du présent programme n'est pas venu les modifier, les ordonnances et les règlements pris en vertu du Programme des producteurs manitobains pour la commercialisation du lait qui étaient en vigueur immédiatement avant l'entrée en vigueur du présent programme et qui le demeurent à la date de son entrée en vigueur sont prorogés et valides à tous égards, comme s'ils avaient été rendus ou pris en vertu du présent programme.

Prorogation du règlement administratif de l'organisation de producteurs

6(1) Est prorogé le règlement administratif qui constitue le règlement n° 1 de l'organisation de producteurs, approuvé par l'organisation de producteurs le 7 août 1975 conformément au paragraphe 5(1) du règlement du Manitoba 242/74. Le règlement administratif peut être abrogé, adopté à nouveau ou modifié afin de prévoir des dispositions différentes quant à l'élection des membres de l'organisation de producteurs, à l'établissement des districts, au déroulement des assemblées, au mode de nomination des représentants désignés, au mode de convocation aux assemblées et à toutes les autres questions se rapportant à la conduite des assemblées et à l'administration démocratique de l'organisation de producteurs, selon ce qui apparaît nécessaire et pratique pour assurer la gestion appropriée du programme.

6(2) The Administration By-Law may be repealed, re-enacted, or amended by an affirmative vote of 60% of those present and entitled to vote at an annual or special general meeting of registered producers, on a resolution, written notice of which has been mailed to each registered producer not less than seven days before the meeting, which notice contains a copy of the resolution setting forth the proposed repeal, re-enactment, or amendment, as the case may be, or a summary specifying the general nature thereof.

6(3) The Administration By-Law may also be repealed, re-enacted, or amended at any duly called and constituted annual or special general meeting of the registered producers, without the giving of the notice required in subsection (2) upon the passing of a resolution to that effect by the affirmative vote of 95% of those present and entitled to vote at the meeting.

6(4) Any resolution proposing the repeal, re-enactment, or amendment of the Administration By-Law is subject to the approval of the Manitoba council; and shall not take effect until a copy of the resolution is filed with the Manitoba council and approved by it.

Fiscal year
7 The fiscal year of the producer board shall end on the last day of July in each year.

Audit
8 A qualified auditor to audit the books kept by the producer board shall be appointed by resolution passed at an annual or general meeting of the registered producers and if an auditor is not so appointed, the producer board shall appoint an auditor.

Officers
9(1) Members of the producer board shall meet forthwith following each annual meeting of registered producers, and shall elect a chairman and a vice-chairman from among their number; and they may appoint a secretary and a treasurer and such other officers as are deemed necessary; and such other officers so appointed need not be members of the producer board.

9(2) The chairman, or in his absence or incapacity the vice-chairman, shall call and preside at all meetings of the producer board and at all special and annual meetings of the registered producers.

6(2) Le règlement administratif peut être abrogé, adopté à nouveau ou modifié par suite de l'adoption, par 60 % des producteurs inscrits qui assistent à une assemblée générale annuelle ou spéciale et qui ont droit de vote, d'une résolution dont un avis écrit doit avoir été expédié par la poste à chaque producteur inscrit au moins sept jours avant la tenue de l'assemblée. Cet avis contient une copie de la résolution énonçant les termes de l'abrogation, de la réadoption ou de la modification proposée, selon le cas, ou un résumé qui en précise la nature générale.

6(3) Le règlement administratif peut également être abrogé, adopté à nouveau ou modifié à l'occasion de toute assemblée générale annuelle ou spéciale dûment convoquée et constituée des producteurs inscrits, sans que ne soit envoyé l'avis requis au paragraphe (2), si une résolution à cet effet est adoptée par 95 % des personnes présentes à l'assemblée et ayant droit de vote.

6(4) Toute résolution proposant l'abrogation, la réadoption ou la modification du règlement administratif doit recevoir l'approbation du Conseil manitobain. Cette résolution ne prend effet qu'après le dépôt d'une copie de celle-ci auprès du Conseil manitobain et son approbation par ce dernier.

Exercice
7 L'exercice de l'organisation de producteurs prend fin le dernier jour de juillet de chaque année.

Vérification
8 Les producteurs inscrits nomment, par voie de résolution adoptée à l'occasion d'une assemblée générale ou annuelle, un vérificateur compétent pour vérifier les livres tenus par l'organisation de producteurs. Si ce mode de nomination n'est pas suivi, l'organisation nomme le vérificateur.

Cadres
9(1) Les membres de l'organisation de producteurs se réunissent immédiatement après chaque assemblée annuelle des producteurs inscrits afin de se choisir, parmi eux, un président et un vice-président; ils peuvent également nommer un secrétaire, un trésorier et tout autre cadre jugé nécessaire. Les autres cadres ainsi nommés n'ont pas à être membres de l'organisation de producteurs.

9(2) Le président ou, en cas d'absence ou d'empêchement de celui-ci, le vice-président, convoque et dirige toutes les assemblées de l'organisation de producteurs ainsi que toutes les assemblées spéciales et annuelles des producteurs inscrits.

9(3) The officers of the producer board shall carry out such duties as are assigned to them by the producer board.

Committees
10 The producer board may appoint such committees as are deemed necessary or desirable for the proper operation of this Plan and it shall appoint such committees for such purposes as may be requested by the Manitoba council.

Remuneration
11 The chairman, officers and other members of the producer board or of any committee appointed by the producer board may be paid such remuneration as may be fixed by resolution of the producer board; which shall be paid as an expense out of the general revenue of the producer board, and shown in the annual report presented to the annual meeting of registered producers in each year; but any such resolution has no force or effect unless it is approved by the Manitoba council.

Duties of the producer board
12(1) Every rule, regulation and order made by the producer board under this Plan, the Act or the regulations, shall be signed by the proper officers under the seal of the producer board, shall be numbered in consecutive order, and shall be open for inspection by any registered producer at the head office of the producer board during regular business hours. Copies of such rules, regulations and orders shall also be maintained at the office of the Manitoba council and shall be open for inspection at such office during regular business hours.

12(2) All rules, regulations and orders made by the producer board shall be reviewed and consolidated annually by the producer board.

12(3) The producer board shall cause such books and records to be maintained as may be required for the proper administration of this Plan; and those books and records shall be open for inspection by the Manitoba council at any reasonable time.

12(4) The producer board shall maintain a head office within Manitoba; and it shall make the location thereof known to those persons carrying on business with the producer board.

9(3) Les cadres de l'organisation de producteurs exercent les fonctions qui leur sont confiées par l'organisation de producteurs.

Comités
10 L'organisation de producteurs peut nommer les comités jugés nécessaires ou opportuns pour la bonne marche du présent programme. L'organisation est par ailleurs tenue de nommer les comités nécessaires aux fins exigées par le Conseil manitobain.

Rémunération
11 Le président, les cadres et les autres membres de l'organisation de producteurs ou des comités nommés par cette dernière reçoivent la rémunération que fixe, par résolution, l'organisation de producteurs. Cette rémunération est versée sur les revenus généraux de l'organisation de producteurs et elle est consignée au rapport présenté à l'assemblée annuelle des producteurs inscrits. Cependant, une telle résolution ne prend effet qu'au moment de son approbation par le Conseil manitobain.

Fonctions de l'organisation de producteurs
12(1) Les règles, règlements et ordonnances pris par l'organisation de producteurs en vertu du présent programme, de la Loi ou de son règlement d'application sont signés par les cadres compétents et portent le sceau de l'organisation de producteurs. Ces règles, règlements et ordonnances sont numérotés consécutivement et doivent être mis à la disposition de tout producteur inscrit pour fins d'examen, au siège social de l'organisation, durant les heures normales d'ouverture. Des copies de ces règles, règlements et ordres sont en outre conservées au bureau du Conseil manitobain et peuvent être consultées pendant les heures normales d'ouverture.

12(2) Chaque année, l'organisation de producteurs révise et refond les règles, règlements et ordonnances qu'elle a pris.

12(3) L'organisation de producteurs fait tenir les livres et les registres nécessaires à la bonne administration du présent programme. Ces livres et ces registres doivent être mis à la disposition du Conseil manitobain pour fins d'examen, à tout moment raisonnable.

12(4) L'organisation de producteurs garde au Manitoba un siège social dont l'adresse doit être donnée à toutes les personnes faisant affaire avec elle.

12(5) The producer board shall hold an annual meeting of the registered producers each year within six months following the fiscal year end of the producer board; and it may hold such other special meetings as are deemed necessary or advisable.

12(6) The producer board shall report to the annual meeting of the registered producers and to the Manitoba council, in respect of the activities of the producer board; and the annual report shall contain a copy of the audited financial statements of the producer board for the last previous fiscal year.

12(7) The producer board shall provide such other reports and information as may be required from time to time by the Manitoba council.

General powers of the producer board

13 In carrying out its duties and functions the producer board may

(a) open bank accounts in the name of the producer board and appoint signing officers;

(b) borrow money on its credit and give security for money borrowed;

(c) enter into agreements with registered producers and any other persons respecting the production and marketing of the regulated product; including the Canadian Dairy Commission respecting the participation by the producers of the province in any federal plan, or act as agent for the said Commission or any provincial or federal body concerned with the marketing of milk or dairy products;

(d) acquire and hold real and personal property in its name; mortgage any such property for the purpose of the producer board and sell or otherwise dispose of any such property when no longer required for the purposes of the producer board;

(e) purchase, lease, take in exchange, hire or otherwise acquire such personal property, including equipment for the gathering, hauling, transporting, grading and processing of the regulated product;

(f) purchase, store, process or sell the regulated product;

(g) advertise and promote the milk and dairy industry in such a manner as it may deem advisable, and compile, publish, distribute and furnish information with respect thereto;

(h) establish branch offices; and

(i) do all such other things as are necessary or incidental to the exercise of any of its powers or the carrying out of any of its functions under the Act or this Plan.

General marketing powers of the producer board

14(1) The regulated product is under the jurisdiction of the producer board.

12(5) Chaque année, dans les six mois qui suivent la fin de son exercice, l'organisation de producteurs tient une assemblée annuelle des producteurs inscrits. L'organisation peut aussi tenir les assemblées spéciales jugées nécessaires ou opportunes.

12(6) L'organisation de producteurs présente le rapport de ses activités à l'assemblée annuelle des producteurs inscrits et au Conseil manitobain. Le rapport annuel renferme une copie des états financiers vérifiés de l'organisation de producteurs pour l'exercice précédent.

12(7) L'organisation de producteurs fournit tous les autres rapports et renseignements exigés par le Conseil manitobain.

Pouvoirs généraux de l'organisation de producteurs

13 Dans l'exercice de ses attributions, l'organisation de producteurs peut :

a) ouvrir des comptes bancaires à son nom et nommer des fondés de signature;

b) emprunter et offrir des garanties;

c) conclure des ententes concernant la production et la commercialisation du produit réglementé avec les producteurs inscrits et d'autres personnes, dont notamment la Commission canadienne du lait en ce qui concerne la participation des producteurs provinciaux à un programme fédéral; elle peut en outre agir à titre de mandataire de la Commission ou de tout autre organisme fédéral ou provincial s'occupant de la commercialisation du lait ou des produits laitiers;

d) acquérir et détenir en son nom des biens réels ou personnels, les hypothéquer aux fins de ses activités ou encore les vendre ou les aliéner de quelque autre façon lorsqu'ils ne sont plus nécessaires aux fins qu'elle poursuit;

e) acheter, prendre à bail, accepter en échange, louer ou acquérir de quelque autre manière de tels biens personnels, notamment de l'équipement servant au ramassage, au transport, au classement et au traitement du produit réglementé;

f) acheter, emmagasiner, traiter ou vendre le produit réglementé;

g) mener les activités de publicité et de promotion du secteur du lait et des produits laitiers qui lui semblent opportunes, et compiler, publier, diffuser et fournir des renseignements à cet égard;

h) établir des succursales.

i) poser tous les autres actes nécessaires ou accessoires pour l'exercice de ses pouvoirs ou de ses fonctions aux termes de la Loi ou du présent programme.

Pouvoirs généraux de l'organisation de producteurs en matière de commercialisation

14(1) Le produit réglementé relève de la compétence de l'organisation de producteurs.

14(2) The producer board has all of the powers and rights of a producer board as set out in the Act and the regulations made under the Act (subject to any order made by the Milk Prices Review Commission).

14(3) The regulated product may be controlled, regulated, and marketed by the producer board.

14(4) The producer board is vested with the power necessary to effectively achieve the objectives of the Plan and promote, control and regulate the marketing of the regulated product that is produced within the province and to prohibit such marketing in whole and in part.

14(5) Subject to the Act, the producer board may do such acts and make such rules, orders and regulations as it deems necessary or advisable to enable it to administer this Plan effectively and to control and regulate the marketing of the regulated product.

Registration of producers, transporters and processors

15(1) The producer board may require producers, transporters, distributors, manufacturers, or processors of the regulated product to register with or obtain licenses from the producer board on such conditions and in such form and for such fees as the producer board may determine, and may cancel, suspend and reinstate any such registration or license.

15(2) The producer board shall keep and maintain at its head office a register containing the names and addresses of each registered or licensed producer, transporter, distributor, manufacturer, or processor of the regulated product.

15(3) The producer board may cancel or suspend the registration or license of a producer, transporter, distributor, manufacturer, or processor who, in its opinion is not entitled to be registered or licensed or who fails to comply with the Act and regulations, or the rules, orders, or regulations of the producer board, or any terms or conditions of any registration or license granted by the producer board.

14(2) L'organisation de producteurs détient tous les pouvoirs et les droits d'une organisation de producteurs aux termes de la Loi et des règlements d'application de celle-ci, sous réserve ordonnances rendues par la Commission manitobaine de contrôle du prix du lait.

14(3) L'organisation de producteurs peut contrôler, réglementer et commercialiser le produit réglementé.

14(4) L'organisation de producteurs est investie des pouvoirs nécessaires pour réaliser efficacement les objectifs du présent programme ainsi que pour promouvoir, contrôler et réglementer la commercialisation du produit réglementé produit dans la province et pour en interdire la commercialisation, en tout ou en partie.

14(5) Sous réserve de la Loi, l'organisation de producteurs peut poser les actes et prendre les règles, les ordonnances et les règlements qui lui apparaissent nécessaires ou opportuns afin d'administrer efficacement le présent programme et de contrôler et de réglementer la commercialisation du produit réglementé.

Inscription des producteurs, des transporteurs et des transformateurs

15(1) L'organisation de producteurs peut exiger des producteurs, des transporteurs, des distributeurs, des fabricants ou des transformateurs du produit réglementé qu'ils s'inscrivent auprès de l'organisation de producteurs ou qu'ils obtiennent de cette dernière une licence selon les conditions, la formule et les droits prescrits par l'organisation qui peut aussi annuler, suspendre ou redonner effet à ces inscriptions et à ces licences.

15(2) L'organisation de producteurs garde, à son siège social, un registre des noms et adresses des producteurs, transporteurs, distributeurs, fabricants ou transformateurs inscrits et des titulaires d'une licence de production du produit réglementé.

15(3) L'organisation de producteurs peut annuler ou suspendre l'inscription ou la licence des producteurs, transporteurs, distributeurs, fabricants ou transformateurs qui, à son avis, n'ont pas le droit d'être inscrits ou d'être titulaires d'une licence, ou qui ne se conforment pas à la Loi et à son règlement d'application, ou aux règles, ordonnances et règlements de l'organisation de producteurs, ou à quelque modalité ou condition de l'inscription ou de la licence accordée par l'organisation de producteurs.

15(4) Written notice of intention to cancel or suspend the registration or license of a producer, transporter, distributor, manufacturer or processor shall be served on him by the producer board, either in person or by registered mail, at least two weeks prior to the date of cancellation or suspension.

15(5) Any producer, transporter, distributor, manufacturer, or processor who objects to the cancellation or suspension of his registration or license by the producer board may notify the secretary thereof of his objections, and the grounds thereof; and if he is not satisfied he may refer the matter to the Manitoba council, which may hear the producer, transporter, distributor, manufacturer, or processor or the producer board, or both of them, and may confirm the cancellation or suspension, or order the reinstatement of the registration or license of the producer, transporter, distributor, manufacturer, or processor; and the decision of the Manitoba council is final.

Fees, levies and charges
16 The producer board may make regulations imposing fees, levies and charges payable to it or on its behalf on producers of the regulated product, and providing for the collection as its agent of such fees, levies and charges and the remission thereof to it by any person engaged in the marketing of such regulated product.

Penalties
17 The producer board may make regulations controlling the quantity, quality, variety, class or grade of any regulated product that may be marketed by imposing penalties on producers.

Approval of Manitoba council
18 No regulation made under section 16 or 17 shall become effective until approved by the Manitoba council.

Quotas
19(1) The producer board may make orders and establish policies determining the manner in which quotas are allotted, reallotted, increased, decreased, cancelled or suspended.

15(4) L'organisation de producteurs doit signifier, à personne ou par courrier recommandé, au producteur, transporteur, distributeur, fabricant ou transformateur dont elle entend annuler ou suspendre l'inscription ou la licence un avis écrit de son intention, au moins deux semaines avant la date de l'annulation ou de la suspension.

15(5) Le producteur, transporteur, distributeur, fabricant ou transformateur qui s'oppose à l'annulation ou à la suspension de son inscription ou de sa licence par l'organisation de producteurs peut aviser le secrétaire de cette dernière de son opposition et de ses motifs de contestation. S'il n'obtient pas satisfaction, il peut renvoyer la question devant le Conseil manitobain, qui peut entendre le producteur, transporteur, distributeur, fabricant ou transformateur ou l'organisation de producteurs, ou les deux, et qui peut confirmer l'annulation ou la suspension de l'inscription ou de la licence du producteur, transporteur, distributeur, fabricant ou transformateur ou y redonner effet. La décision du Conseil manitobain est définitive.

Droits, contributions et charges
16 L'organisation de producteurs peut, par règlement, imposer en sa faveur ou en son nom des droits, contributions et charges aux producteurs du produit réglementé et prévoir la perception de ces droits, contributions et charges par toute personne prenant part à la commercialisation du produit réglementé et qui est à ces fins son mandataire.

Peines
17 L'organisation de producteurs peut, par règlement, contrôler la quantité, la qualité, la variété, la catégorie ou d'autres caractéristiques de tout produit réglementé qui peut être commercialisé, en imposant des peines aux producteurs.

Approbation du Conseil manitobain
18 Aucun règlement pris en application des articles 16 et 17 n'entre en vigueur avant d'avoir été approuvé par le Conseil manitobain.

Contingents
19(1) L'organisation de producteurs peut rendre des ordonnances et établir des politiques déterminant les modes d'attribution, de réattribution, d'augmentation, de réduction, d'annulation ou de suspension des contingents.

19(2) A quota allotted to a producer by the producer board is the property of the producer board, and no person shall transfer, assign, sell, offer for sale or receive payment for, offer to buy or make payment for quota.

19(3) A quota allotted to a producer by the producer board is the property of the producer board. No person shall transfer, assign or sell a quota to another person. No person shall offer to transfer, assign, or sell a quota to another person, or receive payment for a quota, or offer to buy a quota from a producer, or make a payment to a producer for a quota.

19(4) The producer board may reduce or cancel a quota allotted to a producer who has entered into a contract or an agreement that would deprive him of the right to the proceeds from the marketing of his regulated product.

Approval of Manitoba council
20 No order made under section 19 shall become effective until approved by the Manitoba council.

Directed marketings
21 The producer board may make orders determining the time and place at which, and the agency through which, a regulated product, or any variety, class or grade thereof shall be marketed by a producer thereof.

Pooling
22(1) The producer board may conduct a pool for the distribution of all monies received from the sale of regulated product marketed by producers within the daily entitlement quotas allocated to such producers, and a pool for the distribution of all monies received from the sale of regulated product marketed by registered producers in excess of the daily entitlement quotas allocated to such producers.

19(2) Le contingent qu'attribue l'organisation de producteurs à un producteur demeure la propriété de celle-ci. Nul ne peut transférer, céder ni vendre un contingent à une autre personne. De plus, nul ne peut offrir de transférer, de céder ni de vendre un contingent à une autre personne, recevoir un paiement en contrepartie d'un contingent, offrir d'acheter un contingent d'un producteur ni faire un paiement à un producteur pour un contingent.

19(3) Si un contingent a été alloué à une association, société en nom collectif, personne morale, fiducie ou autre organisation, l'organisation de producteurs peut réduire ou annuler le contingent s'il y a modification de la propriété en Droit ou de la propriété bénéficiaire de cette association, société en nom collectif, personne morale, fiducie ou autre organisation.

19(4) L'organisation de producteurs peut réduire ou annuler un contingent attribué à un producteur qui a conclu un contrat ou une entente qui le priverait du droit aux recettes provenant de la commercialisation de son produit réglementé.

Approbation par le Conseil manitobain
20 Aucune ordonnance rendue en application de l'article 19 n'entre en vigueur avant d'avoir été approuvée par le Conseil manitobain.

Ordonnances relatives à la commercialisation
21 L'organisation de producteurs peut, par ordonnances, déterminer le moment et le lieu de commercialisation, par un producteur, d'un produit réglementé, selon ses variétés, ses catégories ou ses caractéristiques et déterminer l'organisme qui doit le commercialiser.

Mécanisme central de distribution
22(1) L'organisation de producteurs peut mettre en place un mécanisme central de distribution des sommes provenant de la vente d'un produit réglementé commercialisé par les producteurs dans les limites des contingents quotidiens admissibles qui leur ont été attribués, ainsi qu'un mécanisme central de distribution des sommes provenant de la vente d'un produit réglementé par les producteurs inscrits, en sus des contingents quotidiens admissibles qui leur ont été attribués.

22(2) The producer board shall, after deducting all necessary and proper disbursements and expenses, and after making such allowances for reserves as may be approved by the Manitoba council, distribute the remainder of the monies received from the sale of regulated product in a pool in such manner that each producer receives from the remainder of the monies received from the sale a share thereof relative to the quantity, quality, variety, grade, or class of the regulated product delivered by him.

22(3) The producer board may make an initial payment on delivery of the regulated product by a producer, and subsequent payments until all the remainder of the monies received from the sale is distributed to the producer.

Information
23 The producer board may make orders requiring a producer of, or any person engaged in marketing, the regulated product, to report to it any information respecting the marketing of the regulated product.

Prices
24 The producer board may make orders fixing minimum prices, or maximum prices, or both maximum prices and minimum prices, or a price, at which the regulated product or any variety, class or grade thereof may be sold by any producer or may be purchased by any manufacturer or processor; provided however that any such orders shall be subject to any order made by the Milk Prices Review Commission.

Classification of milk
25 The producer board may make orders classifying milk for the purpose of the sale and pricing of such milk to manufacturers and processors.

Certification of facilities
26 The producer board may certify a registered producer's facility and in allotting a quota to that registered producer may make it a condition of such quota that the dairy cows kept by him for the purpose of milk production must be kept in such facility, or that the milk marketed by him must be produced on or in such facility.

22(2) L'organisation de producteurs distribue par le biais d'un mécanisme central, après déduction des dépenses nécessaires et appropriées et après avoir constitué les réserves que peut approuver le Conseil manitobain, le solde créditeur résultant de la vente du produit réglementé de sorte que chaque producteur reçoive une quote-part qui soit fonction de la quantité, de la qualité, de la variété, de la catégorie et d'autres caractéristiques du produit réglementé qu'il a livré.

22(3) L'organisation de producteurs peut effectuer un versement dès la livraison du produit réglementé et verser le solde de manière successive jusqu'à ce que le producteur ait reçu son dû.

Renseignements
23 L'organisation de producteurs peut, par ordonnances, exiger d'un producteur ou d'une personne prenant part à la commercialisation du produit réglementé de lui faire rapport de tout renseignement relatif à la commercialisation de ce produit.

Prix
24 L'organisation de producteurs peut, sous réserve des ordonnances rendues par la Commission manitobaine de contrôle du prix du lait, rendre des ordonnances fixant des prix minimums ou maximums ou les deux, ou un prix auxquels le produit réglementé peut être soit vendu par un producteur selon ses variétés, catégories ou caractéristiques soit acheté par un fabricant ou un transformateur.

Classification du lait
25 L'organisation de producteurs peut rendre des ordonnances portant classification du lait afin de vendre ce produit aux fabricants et aux transformateurs et d'en fixer le prix.

Attestation des installations
26 L'organisation de producteurs peut attester les installations d'un producteur inscrit et peut assujettir l'octroi d'un contingent, à la condition que les vaches laitières gardées par le producteur pour la production du lait le soient dans ces installations, ou que le lait commercialisé par le producteur soit produit dans ces installations.

Association
27 Where two or more persons keep dairy cows in partnership, or in circumstances in which there is a sharing by them whether familial, communal or otherwise, of facilities, equipment, labour or services provided directly or indirectly by all or any of them, or pursuant to a contract jointly or severally with the same corporation, firm or individual, for the purposes of this Plan and the regulations and orders made by the producer board, the dairy cows kept by one of those persons shall be deemed to have been kept by the other or others.

Exemptions
28(1) The producer board may exempt from any rule, order or regulation any person engaged in the production or marketing of the regulated product or any class, variety or grade thereof or any class of producers or purchasers of a regulated product.

28(2) This regulation does not apply to:
(a) milk which is used by the producer of that milk for consumption or to manufacture or produce products which are consumed by that producer and his immediate family or any one of them;
(b) cream separated from milk on the farm on which the milk is produced and the cream is sold for manufacture into butter; and
(c) milk produced and processed by the University of Manitoba or the Rockwood Institution.

Association
27 Lorsque deux ou plusieurs personnes gardent des vaches laitières dans le cadre d'une société en nom collectif ou d'un partage de nature familiale, communale ou autre, d'installations, d'équipement, de main-d'oeuvre ou de services fournis directement ou indirectement par toutes ces personnes ou par certaines d'entre elles, ou encore aux termes d'un contrat conclu conjointement ou individuellement avec la même corporation, firme ou personne, pour les fins du présent programme et des règlements et ordres pris par l'organisation de producteurs, les vaches laitières gardées par l'une de ces personnes sont réputées avoir été gardées par les autres personnes concernées.

Exemptions
28(1) L'organisation de producteurs peut exempter de l'application de quelque règle, ordonnance ou règlement, toute personne prenant part à la production ou à la commercialisation du produit réglementé de toute catégorie, variété ou caractéristique, ou toute catégorie de producteurs ou d'acheteurs d'un produit réglementé.

28(2) Le présent règlement ne s'applique pas aux produits suivants :
a) le lait utilisé par la personne qui en est producteur pour sa propre consommation ou pour fabriquer des produits qui sont consommés par elle et sa famille immédiate ou par l'une ou l'autre;
b) la crème qui est séparée du lait sur les lieux de l'entreprise agricole où ce lait est produit et où la crème est vendue en vue de la fabrication de beurre;
c) le lait produit et traité à l'Université du Manitoba ou au Rockwood Institution.

The Queen's Printer
for the Province of Manitoba

L'Imprimeur de
la Reine du Manitoba

THE NATURAL PRODUCTS MARKETING ACT
(C.C.S.M. c N20)

Milk Quality Penalty Levies Regulation*

Regulation 259/87
Filed June 26, 1987

Penalty re bacteria

1(1) Where in any month, other than a month which is part of a grace period, any milk marketed by a producer has been found, in a test conducted by the Animal Industry Branch of the Department of Agriculture (Manitoba), to have a bacteria count of 75,000 or more bacteria per millilitre, a levy

(a) of $1.00 per hectolitre in the case of the first such occurrence;
(b) of $1.50 per hectolitre in the case of the second such occurrence;
(c) of $2.00 per hectolitre in the case of the third such occurrence;
(d) of $5.00 per hectolitre in the case of the fourth such occurrence; or
(e) of $10.00 per hectolitre in the case of each occurrence after the fourth such occurrence;

is imposed on that producer in respect of all milk marketed by him in that month.

1(2) In this section, a "grace period" means

(a) the portion of a month in which milk marketed by a producer has been found, in a test conducted by the Animal Industry Branch of the Department of Agriculture to have a bacteria count of 75,000 or more bacteria per millilitre, which month has been preceded by a twelve consecutive month period during which no milk marketed by the producer has been found in a test conducted by the Animal Industry Branch of the Department of Agriculture (Manitoba), to have a bacteria count of 75,000 or more bacteria per millilitre, together with
(b) the next succeeding two months.

Penalty re dilution or adulteration

2 Where in any month any milk marketed by a producer has been found, in a test conducted by the Animal Industry Branch of the Department of Agriculture (Manitoba), to be diluted with water or adulterated in any way, a levy is imposed on that producer in respect of all milk marketed by him in that month;

(a) of $2.00 per hectolitre in the case of the second such occurrence within twelve consecutive months;
(b) of $3.00 per hectolitre in the case of the third such occurrence within twelve consecutive months;
(c) of $4.00 per hectolitre in the case of the fourth such occurrence within twelve consecutive months; or
(d) of $10.00 per hectolitre in the case of each occurrence after the fourth such occurrence within twelve consecutive months.

* This regulation is made under The Manitoba Milk Producers Marketing Plan, Manitoba Regulation 247/87 R and is Regulation 1/87 of The Manitoba Milk Producers' Marketing Board.

Penalty re antibiotics

3 Where in any month any milk marketed by a producer has been found, in a test conducted by the Animal Industry Branch of the Department of Agriculture (Manitoba), to contain an antibiotic substance or other substance that inhibits the growth of a bacteria culture, a levy is imposed on that producer in respect of all milk marketed by him in that month;

(a) of $1.00 per hectolitre in the case of the first such occurrence;

(b) of $2.00 per hectolitre in the case of the second such occurrence within twelve consecutive months;

(c) of $3.00 per hectolitre in the case of the third such occurrence within twelve consecutive months;

(d) of $4.00 per hectolitre in the case of the fourth such occurrence within twelve consecutive months; or

(e) of $10.00 per hectolitre in the case of each occurrence after the fourth such occurrence within twelve consecutive months.

Penalty re premises

4 Where in any month a producer markets any milk which has been produced in premises that do not meet the minimum standards required by The Public Health Act or The Dairy Act and the regulations made under such Acts or which has been handled with equipment that does not meet the minimum standards required by The Public Health Act and The Dairy Act and the regulations made under such Acts, a levy is imposed on that producer in respect of all milk marketed by him in that month;

(a) of $1.00 per hectolitre in the case of the first such occurrence;

(b) of $2.00 per hectolitre in the case of the second such occurrence within twelve consecutive months;

(c) of $3.00 per hectolitre in the case of the third such occurrence within twelve consecutive months;

(d) of $4.00 per hectolitre in the case of the fourth such occurrence within twelve consecutive months; or

(e) of $10.00 per hectolitre in the case of each occurrence after the fourth such occurence within twelve consecutive months.

Highest penalty payable

5 In the event more than one levy is imposed on a producer under section 1, 2, 3, or 4 of this regulation in the same month, only the highest levy imposed by such section shall be payable by such producer under that section with respect to milk marketed by him in that month.

Due date for penalties

6 The levies imposed under this regulation shall be due and payable by the producer to this Board on the date and in the manner specified in any notice in writing delivered to such producer by this Board indicating the amount of the levy imposed and calculated to be owing by him to this Board and may be deducted as a first charge against the monies which this Board receives from the sale of any milk marketed by such producer.

Appeals

7 In the event a levy is imposed on a producer under this regulation in respect of milk marketed by him in any month, the producer may appeal the imposition of such levy to this Board within 30 days of receipt of notice of the imposition of such levy. Any such appeal shall be in writing and shall be delivered to the Head Office of this Board, 104 - 1580 Dublin Avenue, Winnipeg, Manitoba, addressed to the Secretary, and must set out the reasons for such appeal. The Board may, at its first meeting following receipt of such notice, consider the appeal and may, by resolution, refund the levy in whole or in part and upon such terms as the Board sees fit.

Repeal
8 Manitoba Regulations 138/80 and 150/83 are repealed.

June 24, 1987

THE MANITOBA MILK PRODUCERS' MARKETING BOARD:

Art V. Rampton
Chairman

W. J. S. Wade
General Manager

APPROVED
June 25, 1987

THE MANITOBA NATURAL PRODUCTS MARKETING COUNCIL:

David Gislason
Chairman

Gordon H. MacKenzie
Secretary.

The Queen's Printer for the Province of Manitoba

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

ADMINISTRATION BY-LAW

ENACTED pursuant to The Manitoba Milk Producers' Marketing Plan (herein referred to as the "Plan") being Manitoba Regulation 247/87 R.

BY-LAW NO. 1/87

BE IT ENACTED and it is enacted as a By-Law of The Manitoba Milk Producers' Marketing Board (herein referred to as the "Producer Board") as follows:

DEFINITION

1. In this By-Law "registered producer" includes each registered producer and each designated representative, where the context may require.

DESIGNATED REPRESENTATIVES

2.(1) The appointment of designated representatives shall be subject to the following rules:

(a) The appointment of a designated representative and the rescission of any such appointment shall be made in writing by the proper signing officers or officials of a registered producer, in such form as may be prescribed for such purpose from time to time by the Producer Board and as otherwise may be acceptable to the Producer Board. All such appointments and rescissions of appointments shall be effective upon receipt at the head office of the Producer Board.

(b) No individual may be appointed as a designated representative of more than one registered producer, and no individual who is a registered producer may be appointed as the designated representative of another registered producer.

(c) No individual may be appointed as a designated representative unless that individual is a permanent resident of Manitoba and has attained the age of majority.

(2) All designated representatives shall be entitled to receive notice of, and to attend any Annual or Special General Meeting of registered producers and shall, for the purpose of this By-Law, be treated as if they are registered producers.

DISTRICTS

3.(1) The milk producing area of the Province of Manitoba shall be divided into nine districts for the purpose of the Producer Board, and each district shall be composed of the municipalities outlined in Schedule "A" attached hereto.

(2) The Secretary of the Producer Board shall prepare an initial list of registered producers basis the location of the production facilities of each registered producer in the nine districts established under this section by August 31st in each year. No registered producer shall be listed in more than one district. The secretary of the Producer Board shall finalize such lists of registered producers by district as of September 30th in each year. Both the initial lists and the final lists shall be posted for public viewing at the head office of the Producer Board as soon as they are prepared. The final lists shall remain posted until the conclusion of the Annual Meeting of registered producers in that year. The Members of the Producer Board and any candidate for election as a Member of the Producer Board for a district are entitled to a copy of the final list of registered producers in that district.

DISTRICT MEETINGS

4.(1) An annual district meeting shall be called by the Producer Board for each district between October 1st, and October 20th in each year. District meetings of registered producers may be called at any reasonable time by the Producer Board and shall be called by the Producer Board upon the written request of the member of the Producer Board for that district or of not less than 25 of the registered producers of that district.

(2) The subjects for discussion at any district meetings shall be stated in the Notice of the meeting, which shall be in writing mailed to each registered producer in that district at least 10 days prior to the meeting.

(3) The Producer Board shall designate the time and place within each district for each district meeting and shall designate a recording secretary for each district meeting prior to the calling of the meeting. The secretary of the Producer Board shall provide the recording secretary of each district meeting with an official list of the registered producers and designated representatives in that district prior to the district meeting and that list shall conclusively determine the eligibility of those entitled to vote at such meeting.

(4) A quorum for any district meeting shall be 10 individuals eligible to vote at such meeting.

(5) If, within one hour from the time appointed for any district meeting a quorum is not present, the meeting shall be automatically dissolved, except in the case of an annual district meeting where it shall stand adjourned and the Producer Board, upon giving proper Notice, shall reconvene such adjourned annual district meeting within 30 days of such adjournment, at which time, if, within 30 minutes from the time appointed for such adjourned annual district meeting a quorum is not present those present shall constitute a quorum for the purpose of dealing with items specified in the notice calling the meeting.

(6) The chairman of all district meetings shall be the Member of the Producer Board for that district unless the meeting otherwise decides, provided that any other chairman must be an individual eligible to vote at that meeting.

(7) A resolution put to a vote shall be decided by a show of hands, unless a ballot is demanded and where a ballot is demanded it shall be taken in such manner as the chairman directs.

(8) Each registered producer who is an individual and each designated representative shall have one vote on a question to be decided at any district meeting. No one shall vote by proxy.

(9) The chairman shall have the right to vote on all questions, but in the case of a tie the motion shall be declared lost, provided that if the chairman refrained from initially voting on a question, he may cast a vote to break such tie.

(10) In the case of a question or dispute over the procedure to be followed in conducting a vote or carrying on the business of a district meeting, Robert's Rules of Order shall be followed.

(11) The recording secretary of each district meeting shall keep or cause minutes to be kept of all resolutions and proceedings of that district meeting and of all business transacted at it and shall forthwith after such meeting transmit a copy of such minutes to the secretary of the Producer Board certified by the chairman and the recording secretary of such meeting.

ELECTION OF MEMBERS OF THE PRODUCER BOARD

5.(1) As provided in the Plan, the Producer Board shall consist of nine (9) Members who shall at all times be registered producers or designated representatives, one elected by each district.

(2) The Members of the Producer Board in office at the time this By-Law is enacted shall continue to hold office until the conclusion of their term of office. Members elected to the Producer Board in accordance with this By-Law to replace those Members whose term of office has expired shall hold office for a term of three years, until their successors take office.

(3) In each district in which the term of office of a Member of the Producer Board is about to expire an election shall be held to elect a Member of the Producer Board to replace the Member of the Producer Board whose term of office is about to expire. Each Member of the Producer Board so elected shall take office at the conclusion of the next Annual Meeting of the registered producers following the holding of the election in his district and shall hold office until his successor takes office.

(4) No individual shall be eligible to vote or to hold the office of a Member of the Producer Board for a district unless he is a registered producer or a designated representative listed on the then current final lists of registered producers for that district. The list provided by the secretary of the Producer Board to the returning officer shall conclusively determine the eligibility of nomineees. If otherwise qualified a retiring Member of the Producer Board shall be eligible for re-election. No individual who is a regular employee of the Producer Board shall be eligible to hold office as a Member of the Producer Board. No individual who is a director or officer of a corporation engaged in the processing of milk purchased from the Producer Board (other than a subsidiary controlled by the Producer Board) shall be eligible to hold office as a Member of the Producer Board.

(5) Nomination for the office of a Member of the Producer Board shall be submitted to the secretary of the Producer Board on or after the 1st day of October and not later than 4:00 P.M. on the 25th day of October in an election year. A nomination shall be in Form 1 as set out in Schedule "B" attached hereto.

(6) The secretary of the Producer Board shall not accept a nomination unless:

(a) the nominee is eligible to hold such office under subsection 5.(4),

(b) the nomination is in accordance with Form 1,

(c) the nomination bears the signature of the nominee indicating his acceptance of the nomination,

(d) the nomination bears the signature of 10 individuals as nominees each of whom is eligible to vote in such election under subsection 5.(4), and

(e) the nomination was delivered or mailed so that it is received by the secretary of the Producer Board not later than the date and time specified in subsection 5.(5).

(7) Where the Producer Board is satisfied that nominations under subsection 5.(6) are complete, the secretary of the Producer Board shall forthwith provide each nominee with a list of nominees for the district in respect of which he is nominated. That list shall conclusively determine the nominees for that district.

(8) A nominee may withdraw his nomination by Notice in writing to the secretary of the Producer Board delivered or mailed so that it is received not later than the 30th day of October following his nomination.

(9) Where not more than one person is a candidate for election as a Member of the Producer Board for a district, the Producer Board shall by resolution declare such person elected as a Member of the Producer Board for that district by acclamation.

(10) Where two or more persons are candidates for election as a Member of the Producer Board for that district, an election shall be conducted as hereinafter provided.

(11) For each district in which an election is to be conducted the Producer Board shall appoint a returning officer and such deputy returning officers and other persons as it considers necessary for the conduct of the election.

(12) A ballot shall be in Form 2 set out in Schedule "B" attached hereto, and shall have the corporate seal of the Producer Board affixed thereto. Approximately one-half of the ballots used in any election shall list the names of the candidates in alphabetical order and the balance shall list the names of the candidates in reverse alphabetical order.

(13) Voting shall be by secret ballot.

(14) Where an election is to be conducted in a district the returning officer shall mail one ballot to each registered producer in that district not later than the 10th day of November in the election year.

(15) Each ballot mailed in accordance with subsection 5.(4) shall be accompanied by:

(a) an envelope identified only by the words "Ballot Envelope"; and

(b) a postage-prepaid mailing envelope addressed to the returning officer appointed to conduct the election for the district, which shall have affixed to it a return address label indicating the voter's name, and the number assigned to the registered producer by the Producer Board.

(16) A voter shall case his ballot by:

(a) placing a mark on the ballot in the box opposite the name of the candidate for whom the voter desires to vote;

(b) sealing the marked ballot in the Ballot Envelope;

(c) sealing the Ballot Envelope within the mailing envelope; and

(d) mailing or delivering the mailing envelope to the returning officer so that it is received not later than 10:00 A.M. on the Monday following the 25th day of November in the election year.

(17) The returning officer shall not accept a mailing envelope unless it is received not later than 10:00 A.M. on the Monday next following the 25th day of November in the election year.

(18) Where the returning officer accepts a mailing envelope, he shall,

(a) record on a current final list of registered producers for that district the receipt of a mailing envelope from that voter; and

(b) deposit the mailing envelope, unopened, in a sealed ballot box.

(19) The ballots shall be counted by the returning officer after 10:00 A.M. on the Monday next following the 25th day of November in the election year (or as soon thereafter as is reasonably possible) and the returning officer shall,

(a) count the number of mailing envelopes received and confirm the accuracy of the list prepared under clause 5.(8)(a) in the presence of at least two persons;

(b) remove the Ballot Envelope from each mailing envelope and deposit the Ballot Envelope in a sealed ballot box;

(c) destroy forthwith all opened mailing envelopes;

(d) count the ballots in the presence of at least two persons;

(e) permit each candidate to be represented at the counting of ballots by a scrutineer designated by the candidate;

(f) reject and keep separate every ballot,

(i) that was not supplied by him

(ii) that contained votes for more than one candidate or that was not marked in accordance with clause 5.(6)(a),

(iii) upon which, or upon the ballot envelope containing which, there is any writing or mark by which the voter may be identified or where such ballot or Ballot Envelope has been so dealt with by the voter that he can thereby be identified;

(g) prepare and deliver to the Producer Board in the form provided therefore by such parties, a record of,

(i) the number of ballots cast

(ii) the number of votes given and allowed for each candidate, and

(iii) the number of rejected ballots; and

(h) retain and save custody, for such period of time as the Producer Board directs, all the ballots, including the rejected ballots if any.

(20) Where an election is conducted in respect of a district, the returning officer shall declare elected in the district the candidate who obtained the largest number of votes and shall notify the candidates and the Producer Board of the results of the election.

(21) Any candidate may request a recounting of the ballots by Notice in writing to the returning officer delivered or mailed so that it is received not later than seven days after the date of mailing of the Notice referred to in subsection 5.(20).

(22) Upon receipt of a Notice under subsection 5.(21) the returning officer shall conduct a recounting of the ballots and each candidate may designate a scrutineer for the purpose of such recounting.

(23) The election of a candidate on the basis of such recounting shall be final.

(24) In the case of a tie between or among the candidates receiving the highest number of votes cast in an election, a second ballot shall be conducted by the returning officer. Only those candidates who received the highest number of votes cast shall be included on the second ballot. Such voting shall be conducted in general accordance with subsections (12) to (25) hereof, subject to any necessary changes with respect to the dates and times specified in such subsections as the returning officer deems appropriate.

(25) The proceedings in any election shall not be invalidated by reason of any omission or failure unless it can be shown that such omission or failure could have altered the results of such election.

VACATION OF OFFICE AS A MEMBER OF THE PRODUCER BOARD

6.(1) The Office of a Member of the Producer Board shall automatically be vacated in any of the following cases:

(a) if the Member is absent from three (3) consecutive meetings of the Producer Board, unless the reason for his absence is acceptable to a majority of the other Members of the Producer Board;

(b) if the Member ceases to be a registered producer or a designated representative;

(c) if by notice in writing to the Producer Board he resigns the office;

(d) if the Producer Board passes a resolution stating that he has failed to adhere to the provisions of this By-Law dealing with Conflict of Interest;

(e) if the Member is convicted of an indictable offence making him liable to imprisonment for three (3) months or more;

(f) if the Member is declared to be of unsound mind; or

(g) if the Member is an undischarged bankrupt.

(2) In the event of a vacancy occurring on the Producer Board, the Producer Board shall appoint a registered producer from that district to fill the vacancy until a successor can be elected by the registered producers of that district for the remainder of the term at such time and in such manner as the Producer Board directs; provided however that the Producer Board may refrain from making such appointment if a successor can be elected within six months of such vacancy occurring.

ANNUAL AND SPECIAL GENERAL MEETINGS

7.(1) An Annual Meeting of registered producers shall be held each year within six (6) months following the fiscal year end of the Producer Board, on such date and at such time and place as determined by the Producer Board.

(2) The Annual Meeting shall be called for the purpose of receiving the Annual Report of the activities of the Producer Board for the last fiscal year (which Annual Report shall contain those items set out in the Plan), appointing a qualified auditor, and transacting such other business as may come before the meeting.

(3) A Special General Meeting of registered producers may be called at any time by the Producer Board whenever deemed necessary and shall be held at such time and place as the Producer Board appoints.

(4) The Producer Board shall call a Special General Meeting of registered producers upon written requisition signed by not less than twenty (20%) percent of the registered producers and designated representatives, such requisition to state clearly the nature and purpose of the business to be transacted at such meeting.

(5) Notice of any Annual or Special General Meeting of registered producers shall be delivered or sent by mail to each registered producer in the case of individuals, and to each designated representative, as same are shown on the list prepared pursuant to subsection 3.(2) hereof, at least ten (10) days prior to the holding of such meeting. Any notice of an Annual Meeting shall contain a copy of the Annual Report of the Producer Board for the last fiscal year.

(6) Notice of any Annual or Special General Meeting of registered producers shall state the date, time and place of such meeting, and in the case of a Special General Meeting, shall state the nature of the business to be transacted at such meeting.

(7) All Annual or Special General Meetings of the registered producers shall be held within the Province of Manitoba.

(8) The proceedings of any Annual or Special General Meeting shall not be invalidated by reason of any omission to give notice of the meeting, or the non-receipt of notice by a registered producer or designated representative, unless it can be shown that such default would have reversed the result of a ballot or a vote of the meeting.

QUORUM & VOTING AT ANNUAL AND SPECIAL GENERAL MEETINGS

8.(1) At any Annual or Special General Meeting of the registered producers, twenty-five (25) registered producers and designated representatives shall constitute a quorum.

(2) If, within two (2) hours from the time appointed for any Annual or Special General Meeting of registered producers, a quorum is not present, the meeting, if convened upon the requisition of registered producers and designated representatives, shall be automatically dissolved; and in any other case shall stand adjourned and the Producer Board, upon giving proper notice, shall reconvene such meeting no sooner than seven (7) days and no later than thirty (30) days of such adjournment, at which time the number of registered producers and designated representatives present shall constitute a quorum.

(3) A resolution put to a vote shall be decided by a show of hands, unless a secret ballot is demanded, and where a ballot is demanded, it shall be taken in such manner as the chairman directs.

(4) Only individuals who are registered producers or who are designated representatives of registered producers shown on the list referred to in subsection 3(2) hereof may vote at Annual and Special General Meetings of registered producers.

(5) Each individual registered producer and each designated representative shall have one (1) vote on any question to be decided at any Annual or Special General Meeting of registered producers. No person shall vote by proxy.

(6) The chairman, if otherwise eligible, shall have the right to vote on all questions, but in the case of a tie, the motion shall be declared lost, provided that if the chairman refrained from initially voting on a question, he may cast a vote to break such tie.

(7) In the case of a question or dispute over the procedure to be followed in conducting a vote or carrying on the business of an Annual or Special General Meeting of registered producers, Robert's Rules of Order shall be followed except where inconsistent with this By-Law.

MEETINGS OF THE PRODUCER BOARD

9.(1) The Producer Board shall hold meetings at least once every sixty (60) days.

(2) The Chairman, or in his absence the Vice-Chairman, shall call all meetings of the Producer Board and shall give five (5) days' notice in writing mailed to each Member of the Producer Board at his usual place of abode, or two (2) days' notice thereof, by telephone or telegram, or in person.

(3) Required notice of Producer Board meetings under subsection (2) above may be waived by the consent of all of the Members, confirmed in writing or by the vote of all of the Members; any meeting so called and held shall be deemed to have been duly called and constituted.

(4) The Chairman, or in his absence the Vice-Chairman, shall call a meeting of the Producer Board at any time at the request in writing of any three (3) Members, such requisition to state clearly the business to be transacted.

(5) As provided in the Plan, a majority of the Members of the Producer Board shall constitute a quorum at any meeting of the Producer Board.

(6) Questions arising at any meeting of the Producer Board shall be decided by a majority of votes thereat.

(7) The Chairman shall have the right to vote on all questions, but in the case of a tie the motion shall be declared lost, provided that if the Chairman refrained from initially voting on a question, he may cast a vote to break such a tie.

(8) No order, regulation or directive of the Producer Board which must be filed under The Regulations Act, and no standing policy of the Producer Board shall be passed, amended, repealed, or other substituted therefore unless written notice has been given to each Member of the Producer Board at least 10 days prior to the holding of the meeting called to consider same, indicating the effect of the proposal, or unless two-thirds (2/3) of the Members of the Producer Board voted in favour of such proposal.

(9) No motion or resolution passed at any meeting of the Producer Board shall be reconsidered at that meeting without the consent to such reconsideration by at least two-thirds (2/3) of the Members present at such meeting.

(10) In the case of a question or dispute over procedure to be followed in the conducting of a vote or carrying on the business of a meeting of the Producer Board, Robert's Rules of Order shall be followed except where inconsistent with this By-Law.

(11) A resolution, in writing, signed by all of the Members shall be valid and effectual as if it had been passed at a meeting of the Producer Board duly called and constituted, and held on the date thereof.

(12) A Member may, if all the Members consent, participate in a meeting of the Producer Board by means of such telephone or other communication facilities as permit all persons participating in the meeting to hear each other, and a Member participating in the meeting by that means as deemed for the purposes of this By-Law to be present at that meeting.

(13) All acts done by any meeting of the Producer Board or by any person acting as a Member, shall be valid and subsisting notwithstanding that it be afterward discovered that there was some defect in the appointment of any such Member or person to act as aforesaid, or that they or any of them were not qualified to be a Member, nor shall any act by a meeting of the Producer Board be declared invalid because of any non-essential omission in the passing thereof.

OFFICERS

10.(1) The Chairman and the Vice-Chairman shall be elected in accordance with the Plan, at which time the Producer Board shall also elect an Executive Member and appoint a Secretary who may or may not be a Member of the Producer Board.

(2) If the office of the Chairman, the Vice-Chairman, the Executive Member, or the Secretary shall become vacant by reason of death, resignation, disqualification, or otherwise, or in the event of the inability of any such officer to act, the Producer Board shall, within ninety (90) days of the date of such event, elect or appoint a successor to fill such vacancy.

(3) The duties of the Chairman shall be as follows:

(a) He shall preside at all meetings of the Producer Board, of the Executive Committee, and of Annual and Special General Meetings of producers.

(b) He shall arrange for the calling of all meetings of the Producer Board.

(c) He shall be a voting member of all committees appointed by the Producer Board.

(d) He shall perform such other duties as are incident to the office of Chairman of the Producer Board or as may be required from time to time by the Producer Board.

(4) The duties of the Vice-Chairman shall be as follows:

(a) In the absence of the Chairman or his inability from any cause to act, the Vice-Chairman shall discharge the duties of the Chairman.

(b) Should the office of the Chairman become vacant, the Vice-Chairman shall act until such time as the Producer Board may appoint a successor.

(c) He shall carry out such duties as the Producer Board may assign to him.

(5) The duties of the Executive Member shall be as follows:

(a) He shall carry out such duties as the Producer Board may assign to him.

(6) The duties of the Secretary shall be as follows:

(a) He shall attend all Annual and Special meetings of registered producers and all meetings of the Producer Board and of the Executive Committee, if any, and keep or cause to be kept correct minutes of same, and keep the Producer Board informed with respect to the minutes of any Special Committee meetings.

(b) He shall have charge of the Seal of the Producer Board.

(c) He shall conduct or cause to be conducted the correspondence of the Producer Board and have charge or control over all such records, books, papers and documents as may be ordered by the Producer Board.

(d) He shall prepare such lists of registered producers and designated representatives as are specified in this By-Law.

(e) He shall perform such other duties as the Producer Board may assign to him.

EXECUTIVE COMMITTEE

11.(1) There shall be an Executive Committee consisting of the Chairman, the Vice-Chairman, and the Executive Member. During the intervals between the meetings of the Producer Board, the Executive Committee shall possess and may exercise (subject to any restrictions which the Producer Board may from time to time make) all of the powers of the Producer Board in the management and direction of the operation of the Producer Board (save and except only such acts as must by the Act or the Plan be performed by the Producer Board itself) in such manner as the Executive Committee may deem best in the interest of the Producer Board in all cases in which specific direction shall not have been given by the Producer Board. All actions of the Executive Committee shall be reported to the Producer Board at the meeting next succeeding such action and shall be subject to revision or alteration by the Producer Board; provided that no acts or rights of third parties shall be affected or invalidated by any such revision or alteration.

(2) The Executive Committee shall (subject to the provisions of this By-Law) fix its own rules and procedures from time to time and shall meet where and as provided by such rules or by resolution of the Producer Board, but in every case the presence of a majority of the members of the Executive Committee shall be necessary to constitute a quorum; provided, however, that a resolution signed by all of the members of the Executive Committee shall have the same force and effect as if the same had been duly and regularly passed by the Executive Committee at a meeting properly called and held for that purpose.

CONFLICT OF INTEREST

12.(1) The Guidelines annexed hereto and marked Schedule "C" shall be adhered to by each Member of the Producer Board.

(2) Within a reasonable time following an individual's appointment as a Member of the Producer Board, and prior to April 15th in each calendar year, each Member of the Producer Board shall disclose in writing to each of the other Members of the Producer Board all business, commercial or financial interests where such interests may conceivably be construed as being in actual or potential conflict with the Members' duties and responsibilities as a Member of the Producer Board.

(3) Each Member of the Producer Board who is in any way directly or indirectly interested in a proposed contract or a contract with the Producer Board shall declare his interest at a meeting of the Producer Board. In the case of a proposed contract, the declaration shall be made at a meeting of the Producer Board at which the question of entering into the contract is first taken into consideration, or, if the Member is not at the date of that meeting interested in the proposed contract, at the next meeting of the Producer Board held after he becomes so interested; and, where the Member becomes interested in a contract after it is made, the declaration shall be made at the first meeting of the Producer Board held after the Member becomes so interested. After making such declaration, the Member shall absent himself from any portion of a meeting of the Producer Board or of a committee of the Producer Board which discusses any topic with respect to such proposed contract and shall not participate in voting in respect of such proposed contract.

(4) No material contract shall be entered into between the Producer Board and any member, officer, employee or agent of the Producer Board or any other person (including an individual, corporation, partnership or association) where

(a) that person, if unincorporated, is a member of the immediate family of any Member, officer, employee or agent of the Producer Board; or

(b) that person, if incorporated, is a corporation of which a Member, officer, employee or agent of the Producer Board is a director, officer, employee or agent, or which such Member, officer, employee or agent of the Producer Board has any direct or indirect financial interest; provided however that such latter prohibition shall not apply:

(i) to a cooperative that is a processor or transporter of milk, merely because a member of the Producer Board is a member of that cooperative, or

(ii) to a public corporation that is a processor or transporter of milk, merely because a Member owns shares in that corporation, provided the direct or indirect ownership of such shares by such Member is less than 5% of all of the voting shares issued by that corporation.

(5) From time to time the Producer Board may, by resolution, refer any issue as to whether or not a contract is a material contract, or as to whether or not a Member has adhered to the provisions of this section or to the Guidelines annexed as Schedule "C", to The Manitoba Natural Products Marketing Council for a decision, and the finding of the said Council shall conclusively determine the issue.

BONDING

13. It shall be the duty of the Producer Board to require such Members and employees as may be entitled to be signing officers of the Producer Board on cheques or negotiable instruments to be bonded in such form and in such amount as the Producer Board deems satisfactory for keeping, accounting for, delivering and paying over moneys and securities for money or other assets of the Producer Board, which may come into their control.

HEAD OFFICE

14. The head office of the Producer Board shall be in the capital of the Province and at such place therein as the Producer Board may from time to time decide.

SEAL

15. The seal of the Producer Board shall be in such design as shall be determined by the members of the Producer Board and shall include the words "The Manitoba Milk Producers' Marketing Board".

REPEAL

16. By-Law No. 1, By-Law No. 1/84, By-Law No. 2/84 and By-Law No. 1/86 are repealed.

AMENDMENTS

17. This By-Law may be repealed, amended, or re-enacted as provided in the Plan.

ENACTED this day of August, 1987 by an affirmative vote of at least 60% of those present and entitled to vote at a Special General Meeting of registered producers, on a resolution, written notice of which was mailed to each registered producer not less than seven (7) days before the meeting and containing a copy of the proposed by-law.

AS WITNESS the Corporate Seal of The Manitoba Milk Producers' Marketing Board.

THE MANITOBA MILK PRODUCERS
MARKETING BOARD

PER: _____
Chairman

_____
Secretary

APPROVED by The Manitoba Natural Products Marketing Council this day of August, 1987.

THE MANITOBA NATURAL PRODUCTS
MARKETING COUNCIL

PER: _____
Chairman

_____
Secretary

SCHEDULE A

[illegible] this Administration By-Law the following nine districts are established composed of the municipalities hereinafter set out opposite the number of each district

District #1

Alonsa
Archie
Birtle
Blanshard
Boulton
Clanwilliam
Dauphin
Ellice
Ethelbert
Gilbert Plains
Glenella
Grandview
Hamiota
Harrison
Hillsburg
Lawrence
McCreary
Miniota
Minitonas
Minto
Mossey River
Mountain #1
Mountain #2
Ochre River
Odanah
Park 1
Park 2
Rosedale
Rossburn
Russell
Ste. Rose
Saskatchewan
Shell River
Shellmouth
Shoal Lake
Silver Creek
Strathclair
Swan River
Consol
The Pas District

District #2

Albert
Arthur
Brenda
Cameron
Cornwallis
Daly
Edward
Elton
Glenwood
Morton
North Cypress
Oakland
Pipestone
Riverside
Sifton
Wallace
Whitehead
Whitewater
Winchester
Woodworth

District #3

Cartier
Grey
Lakeview
Langford
Lansdowne
North Norfolk
Portage la Prairie
Westbourne

District #4

Argyle
Dufferin
Lorne
Louise
Pembina
Roblin
South Cypress
South Norfolk
Strathcona
Thompson
Turtle Mountain
Victoria

District #5

Armstrong
Bifrost
Coldwell
Eriksdale
Fisher
Gimli
Grahamdale #1
Grahamdale #2
Rockwood
St. Laurent
Siglunes
Woodlands

District #6

Alexander
Brokenhead
Lac Du Bonnet
McDonald
Pinawa
Reynolds
Richot
Rosser
St. Andrews
St. Clements
St. Francois Xavier
Springfield
Victoria Beach
Whitemouth
Winnipeg Area

District #7

Franklin
Montcalm
Morris
Rhineland
Roland
Stanley

District #8

La Broquerie
Piney
St. Anne
Stuartburn
Tache

District #9

De Salaberry
Hanover

SCHEDULE B

FORM 1
THE NATURAL PRODUCTS MARKETING ACT

NOMINATION FOR THE ELECTION OF A MEMBER TO
THE MANITOBA MILK PRODUCERS' MARKETING BOARD

We hereby nominate . . . . . .

of . . . . . for election to The Manitoba Milk Producers' Marketing Board for District No. . . . . .

Nominated by:

. . . . .	. . . . .	. . . . .
(name)	(address)	(registration no.)
. . . . .	. . . . .	. . . . .
(name)	(address)	(registration no.)

I HEREBY ACCEPT THIS NOMINATION.

. . . . . .
(signature of nominee)

. . . . . .
(address of nominee)

. . . . . .
(registration no. of nominee)

FORM 2
THE NATURAL PRODUCTS MARKETING ACT

BALLOT FOR ELECTION OF A MEMBER TO
THE MANITOBA MILK PRODUCERS' MARKETING BOARD

DISTRICT NO. . . . . .

CANDIDATES

. . . . .	. . . . .	☐
(name)	(address)	
. . . . .	. . . . .	☐
(name)	(address)	
. . . . .	. . . . .	☐
(name)	(address)	

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

SCHEDULE "C" TO BY-LAWS 1/87

Guidelines established pursuant to section 12 of By-Law No. 1/87:

Conflict of Interest Guidelines

1. A Member should not put himself in a position where he is under obligation to any person who might benefit from special consideration or favour on his part or seek in any way to gain special treatment from any such person. Equally, a Member shall not have a pecuniary interest that could conflict in any manner with the discharge of his official duties on behalf of the Producer Board.

2. No conflict should exist or appear to exist between the private interests of a Member and his official duties with the Producer Board. Upon appointment to office, a Member should arrange his private affairs in a manner that will prevent conflict of interest from arising.

3. The fact that a Member is also a primary producer (or the designated representative of a primary producer) of the regulated product shall not in itself be deemed to be a conflict of interest. Similarly mere membership in a cooperative that processes regulated product shall not in itself be deemed to be a conflict of interest. The direct or indirect ownership of less than five (5%) percent of the shares of a corporation that processes regulated product shall not in itself be deemed to be a conflict of interest.

4. A Member should exercise care in the management of his private affairs so as not to benefit or appear to benefit, from the use of information acquired during the course of his official duties, which information is not generally available to all producers and the public.

5. A Member should not place himself in a position where he would derive a special benefit or interest, direct or indirect, from contracts or other financial arrangements entered into by the Producer Board.

6. A Member should not accord, in the performance of his official duties, preferential treatment to immediate family members or to organizations in which he or his immediate family members have an interest, financial or otherwise. Although these guidelines do not formally apply to spouses or dependent children, it is important that a Member bear in mind his individual responsibility to prevent conflicts of interest, including those that might conceivably arise out of dealings in property or other holdings, owned or managed in whole or in part, by his spouse or dependent children.

7. A Member who is in a position to approve or recommend the approval of new, or the revision of existing, Regulations, Orders, policies, or programs should not place himself in a position where his immediate family members or business associates may derive special benefit or interest.

8. Should situations arise in which a Member is in a position to exercise judgment in the application of Producer Board Regulations, Orders, policies or programs with respect to matters involving special benefit to his immediate family members or business associates, such Member should declare such interests and refrain from participation in any decision thereof.

9. A Member should hold no outside directorships, office or employment that could place on him demands inconsistent with his official duties or call into question his capacity to perform those duties in an objective manner.

THE MANITOBA MILK PRODUCERS' MARKETING BOARD

STAFF MEMBERS

SEPTEMBER 1987

W. Jim S. Wade	--	General Manager
Jack F. Sinnock	--	Controller
R. L. Seekings	--	Administrative Secretary
Arthur D. Meadows	--	Analyst
Alan S. Forrest	--	Supervisor, Data Processing
Olga Komoski	--	Programmer, Data Processing
Enrique, M. Magat	--	Audit Accountant
Marilyn E. Adam	--	Director, Market Expansion
Patricia A. McCarthy Briggs	--	Director, Nutrition Education
Audrey J. Gale	--	Director, School Milk Program
Bette-Lea Fraser	--	Co-ordinator, School Milk Program
Wayne R. English	--	Supervisor, Producer Relations
Raymond M. Rudy	--	Supervisor, Transportation
John R. Breckman	--	Dispatcher, Transportation
Karen A. Bergmann	--	Clerk-Typist
Mary J. Kondrat	--	Accounting Clerk
Tammy Proctor	--	Receptionist
Marion M. Burgess	--	Key Punch Operator (part-time)
Dorothy C. Schade	--	Nutritionist (part-time)